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ASEAN To Consult With PRC, Japan on EAEC

BK0111061393 Kuala Lumpur BERNAMA in English 0351 GMT 1 Nov 93

[Text] Jakarta, Nov 1 (OANA—BERNAMA)—ASEAN Secretary General Ajit Singh left Sunday, on a trip to Beijing and Tokyo to seek the views of China and Japan on the operational aspects of the East Asian Economic Caucus (EAEC) initiated by Malaysia. Now that ASEAN has agreed on the modalities of the EAEC, we should have discussions with prospective member countries and economies on the operationalisation of the forum, he told reporters before departure.

Ajit Singh would be in China for three days from Monday and then proceed to Tokyo. He said he would obtain their views on issues like the agenda of the EAEC, where it should meet and how often, what kind of relationship it should develop with other organisations including ASEAN and the Asia Pacific Economic Cooperation (APEC). He would also explain to both countries decisions taken on the EAEC by the ASEAN Economic Ministers Meeting (AEM) in Singapore early this month.

Ajit Singh is expected to follow up his EAEC mission with South Korea and the economies of Taiwan and Hong Kong after this, but the dates have yet to be fixed. He said he would prepare a report on his discussions with the EAEC's prospective member countries and economies for the ASEAN economic ministers and foreign ministers.

Probably, based on my report, we will be putting together all views and decide the next step for the EAEC, that is, its operationalisation, he said.

The Senior Economic Officials Meeting (SEOM) is scheduled for December in Singapore.

Ajit Singh stressed that the EAEC was not in any way a caucus competitive anf confrontative to the APEC.

ASEAN To Allow Laos, SRV To Join in Some Areas

BK0211031393 Bangkok THE NATION in English 2 Nov 93 p A2

[Text] Asean senior officials yesterday reached a consensus to invite Vietnam and Laos to join the Asean grouping in the areas of science and technology, culture, illegal drug suppression, public health and environment, a senior Thai official said yesterday.

The Asean officials agreed, however that cooperation on hard-core economic matters should be considered on a case-by-case basis and is dependent on requests by the countries concerned, said Department of Asean Affairs Director General Laksanachanthon Laohaphan.

Laksanachanthon cited a recent lecture series organized by the grouping which was attended by Vietnam and Laos, as an example of appropriate participation by the two countries. Some Asean states, however, still in need of foreign assistance themselves, felt the early integration of Vietnam and Laos into Asean would complicate matters.

Vietnam and Laos were granted Asean observer status last year, following their accession to Asean's 1976 Bali treaty of Amity and Cooperation in Southeast Asia, allowing them to participate in Asean annual meetings of Foreign Ministers. However, at the Singapore ministerial meeting in July, both countries were included in the list of participants of the newly created Asean Regional Forum on security issues along with guests Cambodia, China and Russia, in addition to Asean's seven dialogue partners.

Laos was cautious with the idea of early integration given its economic disparity with Asean while Vietnam made it no secret that it would like to jump on Asean's economic bandwagon by requesting to take part in Asean economic ministers' meetings and having its representative attached to the Asean Secretariat.

Laksanachanthon yesterday attended the first session of the three-day 27th meeting of the Asean Standing Committee held here in preparation for the 27th annual Asean ministerial meetings to be held next year in Bangkok.

Among crucial topics discussed at yesterday's session were Asean's future direction, which the six senior Asean officials agreed should be more regional-oriented, Laksanachanthon said.

The director general said they had instructed Asean's committees responsible for culture and information, science and technology, and social development to draft their individual three-year plans.

As part of Asean's effort to increase the efficiency of the Asean Secretariat in response to the emerging regionalized cooperation, the officials also agreed to redirect Asean individual contributions into the central fund under the supervision of the Asean Secretariat following failure in managing the existing fund. "We are now embarking on an era of self-support, so we must be prepared, even in financial matters," said Laksanachanthon, who headed the Thai delegation

The current fund, totalling US$1 million, was scattered throughout banks in each of the six Asean countries, which are obliged to replenish the sum annually. However, the fund was rarely used, due to difficulties in reimbursement.

ASEAN Ministers Oppose Timber Labeling

BK3010151293 Kuala Lumpur BERNAMA in English 0951 GMT 30 Oct 93

[Text] Kuala Lumpur, Oct. 30 (OANA/BERNAMA)—ASEAN agriculture and forestry ministers Saturday registered strong opposition to labelling of tropical timber and its products. (We) oppose strongly any form of unilateral and discriminatory certification and labelling on tropical and products, they said in a statement issued at the end of the three-day 15th ASEAN Agriculture and Forestry Ministers meeting in Bandar Seri Begawan, Brunei.

The statement, released by Foreign Ministry here, said any certification and labelling, if deemed desirable and practical, should be made applicable to all types of timber. It should also be based on internationally agreed guidelines, criteria and standards, the statement added.

The ministers also reaffirmed the commitment of ASEAN member states to the attainment of the International Tropical Timber Organisation's (ITTO) sustainable objective year 2000. The statement also underscored the need for expeditious implementation of UN Conference on Environment and Development (UNCED) forest principles by all countries.

The implementation of the principles should have emphasis on the sovereign rights of countries to utilize and manage their forest resources on a sustainable basis and also on efforts toward the greening of the world and raising the world's forest cover, notably by the developed countries.

Singapore's Lee Proposes Asia Transform NAFTA

OW2910113193 Tokyo KYODO in English 1032 GMT 29 Oct 93

[Text] Tokyo, Oct. 29 KYODO—Elder statesman Lee Kuan Yew of Singapore suggested Friday [29 October] that countries in east Asia transform the North American Free Trade Agreement (NAFTA) into a Pacific Asia Free Trade Area (PAFTA). Lee, a former prime minister and now a senior cabinet minister, said east Asia should seek closer economic ties with the United States and Canada to prevent NAFTA, which also includes Mexico, from becoming insular.

"The long-term aim should be a free trade agreement among the Asia-Pacific Economic Cooperation (APEC) members. In other words, convert NAFTA in stages into PAFTA," Lee told an international symposium on Japan's changing economy and the world.

His strong support for APEC is at odds with views expressed by leaders of other southeast Asian nations that the loose grouping of 15 Pacific rim nations, including the United States and Australia, should not be institutionalized.

Malaysia, in particular, is hoping to forge an East Asia Economic Caucus (EAEC) excluding the U.S. and Australia, which Prime Minister Mohathir Mohamed says could function independently like NAFTA. But Lee said that increased cooperation among APEC nations is needed to help steer the European Community (EC) from protectionist policies.

The EC would be certain to avoid risking a collision with the U.S., although perhaps not Asia, he said at the close of the two-day symposium sponsored by the mass-circulation daily ASAHI SHIMBUN. His comment invited a sharp rebuttal from Wisse Dekker, chairman of Philips Electronics of the Netherlands, who said that there is no chance of the EC adopting restrictive trade policies. "If (APEC) is seen as a countermeasure to the European single market, I think this is a dangerous path to go," Dekker said.

"We would end up with everybody not speaking out what they really want to say and everybody keeping their options open, and I think that would be the end of the free trade movement," he said.

Dekker said he is also concerned that APEC could hamper the political development of Asian nations, which he said had already experienced "too long a period of colonization."

Former Prime Minister Kiichi Miyazawa of Japan said it is important that the Association of Southeast Asian Nations (ASEAN) remains open and will not become a trade bloc. He said the surge in the value of the yen against the U.S. dollar is likely to spark another enormous wave of Japanese investment in the region.

Arthur Dunkel, former director general of the General Agreement on Tariffs and Trade (GATT), said that APEC could become the Pacific version of the Organization for Economic Cooperation and Development (OECD), a forum for discussing economic and social policies joined by 24 advanced countries.

The OECD is neither a free trade area, nor customs union, but provides an arena for governments to share views, he said. Both Dunkel and Lee urged Japan to take the initiative in the GATT talks on global trade to help pave the way for a successful conclusion by the December 15 deadline.

"Japan should remove the ban on rice imports instead of waiting for the EC to reach agreement with the United States on agriculture," Lee said.

Japan

Envoy to U.S. Critical of NAFTA Debate

OW0311045993 Tokyo KYODO in English 0440 GMT 3 Nov 93

[Text] Washington, Nov. 2 KYODO—Japan's ambassador to Washington criticized the United States on Tuesday [2 November] for bringing Japan into the argument over congressional approval for the North American Free Trade Agreement (NAFTA). The envoy, Takakazu Kuriyama, told reporters, "Whatever Japan says, whatever Japan does, it is always being misused."

His comments follow a warning by President Bill Clinton on Monday that Japan could grab the Mexican market if the pact is not approved. The House of Representatives is due to vote November 17 on the pact, in which the U.S., Mexico and Canada would set up a free-trade zone by eliminating import tariffs among them.

Clinton told a meeting of business executives, "I would, if I were the prime minister of Japan, have the finance minister of my country in to see the president of Mexico on the 18th of November. "I would say, 'We've got more money than they do anyway, make the deal with us.'"

Clinton said he believed the European Community would "do the same thing" if Congress voted down the pact. Opponents in the U.S. say it would drain jobs to Mexico.

Kuriyama said the debate on the issue is overheated and he feels that protectionism is rising. He said he is not totally opposed to NAFTA, although he hopes it will not lead to protectionism. The pact will go into effect on January 1 if the legislatures of the three countries ratify it.

More on GATT Chief Talks Held With Hata

OW0311025693 Tokyo KYODO in English 0232 GMT 3 Nov 93

[Text] Geneva, Nov. 2 KYODO—Peter Sutherland, chief of the General Agreement on Tariffs and Trade (GATT), urged Japan Tuesday [2 November] to convert its rice import ban into tariffs in order to bring seven-year-old talks for freer world trade to a successful conclusion, Japanese officials said. Sutherland, GATT's director general, noted the nearing December 15 deadline for the Uruguay Round talks, they said. The request came when the GATT chief held talks with visiting Japanese Agriculture Minister Eijiro Hata at GATT Headquarters.

During the hourlong meeting, Sutherland also asked Hata to persuade the Japanese to accept the so-called tariffication proposal, made by his predecessor Arthur Dunkel, the officials said.

Hata reiterated Tokyo's view that the comprehensive tariffication, if implemented, would affect the very foundation of Japan's agriculture. He said it is "indispensable" to find a "realistic solution" to the stalled 116-nation trade talks for the successful conclusion, Japanese officials said. To this end, due heed should be paid to each member state's most important interests, Hata was quoted as telling Sutherland.

Japan virtually bans imports of rice on grounds of securing a stable supply of its staple food. Hata also maintained that an exception should be made of rice in a final agreement of the Uruguay Round talks if a farm subsidy agreement between the United States and the European Community (EC) is revised.

Sutherland said, however, that the time has come for each GATT member to make a political decision and that agriculture should not be excluded from the final Uruguay Round accord.

If one member state is treated exceptionally, other members would come up with various demands one after another, he said, and that would lead to a failure in the world trade talks, according to Japanese officials. Sutherland also said Japan's agriculture would not be disrupted if Japan accepts the tariffication proposal.

After the talks with Sutherland, Hata told reporters he will report to Japanese Prime Minister Morihiro Hosokawa on Sutherland's tough stance. Japan will keep a wait-and-see stance for the time being and does not intend to make a new proposal, he said.

On the outlook for the Uruguay Round talks, Hata said the possibility cannot be entirely ruled out that GATT member states will reach a consensus that some exceptions should be made of in [as received] the final agreement.

'Wrinkle' Reported in Meeting With Australia

BK0311022993 Melbourne Radio Australia in English 0100 GMT 3 Nov 93

[Text] Australian and Japanese ministers meeting in Tokyo have disagreed over a proposal for Japan to lift its ban on rice imports. But Mark Bowling reports that this appears to be the only wrinkle on bilateral relations at the talks:

[Begin Bowling recording] Japan and Australia now have a mature working relationship, according to Japan's foreign minister, Tsutomu Hata. But during an Australia-Japan ministerial committee meeting held every two years, Mr. Hata has emphasized Japan will not replace its current rice import ban with tariffs. Australia is one of the countries pressuring Japan to do so.

Foreign Minister Gareth Evans says Australia will not accept any outcome to the Uruguay Round of trade talks that does not include across-the-board tarrification. He has warned a successful conclusion to the entire trade round could be in danger. [end recording]

Panel Discussion Held on Competitive Bidding

OW0211143493

[Editorial Report] Tokyo NHK General Television Network in Japanese at 0000 GMT on 31 October 93, in its regularly-scheduled "Toron" [Discussion] program, carries a 60-minute panel discussion entitled "Reform Urged for Public Works Market." The main guest is Construction Minister Kozo Igarishi and the program is moderated by NHK commentator Takashi Yamamoto. Other participants include freelance commentator Naoki Tanaka, AT&T Japan executive Glenn S. Fukushima, Fuji University Professor Kunio Maeda, and Tokyo University Professor Masahiko Kunishima.

After a brief video report on a series of money scandals involving major construction companies, Igarashi says: "I think the scandals are caused by deep-rooted and long-standing structural problems and drastic reform must be carried out. It is widely accepted that ethical problems occur as a result of the inappropriate links between companies, bureaucrats, and politicians. Another problem lies in the administrative system—including the bidding procedures and their implementation."

He is asked to comment on a U.S. decision to postpone sanctions against Japan's closed construction market.

He says: "I think that is to be expected. As far as Japan is concerned, the 1 November deadline was set by the United States and Japan was never convinced of the need for such action. We feel, therefore, that the U.S. decision to extend the deadline to 20 January was made in consideration of our efforts to work out an action plan before the year end. So I do not really worry about the deadline.

"However, it is necessary to maintain cooperative relations between Japan and the United States. The U.S. demands have much in common with the direction of our reform efforts and in this sense, we believe there is a good chance we can resolve our problems."

He later asked about the U.S. demand for numerical targets to assess to what degree the Japanese construction market opens to U.S. companies.

Igarashi says: "This is one questionable point in the U.S. demands. It probably came from President Clinton's result-oriented political stance, and we would have problems implementing target figures in this area. Target figures do not fit competitive bidding systems. Under a competitive bidding system, success for U.S. companies depends upon their efforts. Providing opportunities for firms to make bids does not necessarily mean they always win the contracts. If there is a truly fair, competitive system involved it is impossible to ensure that U.S. companies win a pre-agreed number of contracts."

Referring to measures to encourage inroads by foreign companies into the Japanese market, Igarashi describes the government's plans to open the construction market. He says: "As a tentative measure, it is best to introduce a competitive bidding to all projects exceeding a certain scale—while at the same time such a bidding system is established for some major projects on an experimental basis.

"The lower house special committee is scheduled to work out an action plan before the year end, and this is expected to include the introduction of full-scale competitive bidding. It should be introduced for all major central government, local government, and semigovernment corporation projects. And appropriate consideration should be given to foreign companies seeking business in Japan."

Jan-Oct Trade With PRC Close to $30 Billion

OW0311070393 Tokyo KYODO in English 0556 GMT 3 Nov 93

[Text] Tokyo, Nov. 3 KYODO—Customs-cleared merchandise trade between Japan and China for the first 10 months of this year is believed to have exceeded 30 billion dollars, reflecting strong growth in the Chinese economy, industry sources said Wednesday [3 November]. Bilateral trade for all of last year totaled 28.9 billion dollars on a customs clearance basis, according to official figures given by the Ministry of Finance.

Japan-China trade for the whole of this year will top 35 billion dollars, an official of the Japan External Trade Organization (Jetro) said, and China is expected to become Japan's second-largest trading partner after the United States.

An official of the Japan-China Association on Economy and Trade predicted that bilateral trade should expand for the time being in view of steady growth in investments in China by Japanese corporations.

An official at a major trading house warned, however, that an uninterrupted growth cannot necessarily be ensured because the Chinese Government has tightened its grip on credit to cool the overheated economy.

For the first nine months of this year, merchandise trade between Japan and China surged 33 percent from a year earlier to 27.3 billion dollars, according to customs-cleared trade statistics.

Japan's exports for the nine-month period grew 56 percent and its imports rose 18 percent. In particular, exports of steel products and automobiles chalked up sizable gains in the first six months of this year.

As a result, Japan saw its trade deficit with China contract in the April-September period to 730 million dollars, one-third the level of a year earlier.

Saito: G-7 Considering Moscow's Meeting Request

OW0111093693 Tokyo KYODO in English 0848 GMT 1 Nov 93

[Text] Tokyo, Nov. 1 KYODO—The Group of Seven (G-7) economic powers are discussing a Russian request to hold a "G-7 Plus One" ministerial meeting, Vice Foreign Minister Kunihiko Saito said Monday [1 November].

Referring to reports that Russia has urged G-7 nations to hold the meeting, Saito told a press conference that related countries are currently studying the call but he declined to elaborate further.

G-7 groups Britain, Canada, France, Germany, Italy, Japan and the United States.

Russia feels such a high-level meeting is necessary to "translate G-7 promises of aid to Russian reforms into deeds," INTERFAX news agency quoted a senior Russian diplomat as saying.

Panel Agrees on ODA Cutbacks Recommendation

OW0211100093 Tokyo KYODO in English 0923 GMT 2 Nov 93

[Text] Tokyo, Nov. 2 KYODO—A government advisory panel agreed Tuesday [2 November] to recommend cutbacks in Official Development Assistance (ODA) and other overseas aid in volume, a Finance Ministry official said. A special committee studying expenditure streamlining under the fiscal system council had no objection to the ministry's proposal that "substantial curbing" is necessary amid current budget conditions, the official said.

Most committee members cited the need to focus on improving "quality and efficiency" of Japan's aid, mainly through "personnel development," instead of increasing volume as Japan already leads the world in overseas assistance, he said.

The committee is to include the cutbacks in a set of proposals to be submitted before the ministry forms its final draft for the fiscal 1994 budget.

No specific figures were discussed at the committee meeting, the official said. But he noted in particular that the members voiced no opposition to "drastically limiting" free grants—a ministry proposal which, he said, even implied cutting grants to "minus."

On loans, some members questioned Japan's "passivity" in taking initiatives on aid usage, the official said.

"Personnel development" refers to such programs as dispatching Japanese experts abroad and inviting overseas trainees and students to Japan, he said. Citing "misunderstanding" overseas on Japan's role, the members called for "active pr [public relations]" to promote the fact that Japan has been leading assistance in the Asia-Pacific Region.

Japan has been the biggest ODA contributor among major industrialized nations over the past two years. In 1992, its ODA totaled 11.15 billion dollars, compared with 10.76 billion dollars provided by the United States, the second-biggest contributor.

Firms Confirm Oil Output Figures Off SRV

OW2710021993 Tokyo KYODO in English 0159 GMT 27 Oct 93

[Text] Tokyo, Oct. 27 KYODO—An international oil development consortium, including Sumitomo Corp. and other Japanese firms, has confirmed crude oil output of 6,640 barrels per day (bpd) in a test drilling area off southern Vietnam, Sumitomo officials said Wednesday [27 October].

Dai Hung Oil Development (Japan) Co., including Sumitomo, Nippon Oil Co. and Nikko Kyodo Co., has been in charge of test digging in the offshore Dai Hung oil field since August along with firms from Australia, Vietnam, Malaysia and France. The test well, called Big Bear, is 260 kilometers off the Vietnam coast. The well could be large scale, since an average well in Indonesia produces 500 to 3,000 bpd, in the North Sea 2,500 to 6,000 bpd and in Saudi Arabia 10,000 bpd.

SDPJ Backs Dispatch of Planes for Rescue

OW2710123693 Tokyo KYODO in English 1207 GMT 27 Oct 93

[Text] Tokyo, Oct. 27 KYODO—The Social Democratic Party [of Japan] (SDP) [SDPJ] agreed with other parties within the coalition government Wednesday [27 October] on a proposed bill to allow the Self-Defense Forces (SDF) to dispatch planes overseas to rescue Japanese nationals in areas of danger, party officials said.

The SDP, the largest party in the seven-party coalition, had earlier opposed amending the Self-Defense Forces Act. The party held a meeting of members of the House of Representatives and agreed to support the proposed bill on the condition that the aircraft used is limited to government planes, they said.

SDP leaders will hold a similar meeting of House of Councillors members on Thursday.

The coalition government is expected to submit the bill to the Diet in early November, after parties in the government agree on an amendment measure, they said. Some members still object to the bill, saying the dispatch of aircraft overseas by the SDF violates the war-renouncing Constitution, they said.

Salvadoran President Christiani Arrives

OW0211131493 Tokyo KYODO in English 1247 GMT 2 Nov 93

[Text] Tokyo, Nov. 2 KYODO—El Salvador's President Alfredo Cristiani Burkard arrived in Tokyo for a four-day visit to Japan to hold talks with Prime Minister Morihiro Hosokawa. The president will confer with Hosokawa on Thursday [4 November] and also meet Emperor Akihito and Empress Michiko during his stay, Japanese Government officials said.

Ministry Reports Aviation Talks With Mongolia

OW2710121593 Tokyo KYODO in English 1138 GMT 27 Oct 93

[Text] Tokyo, Oct. 27 KYODO—Japan and Mongolia have agreed to conclude a civil aviation pact to pave the way for regular passenger service between the two countries, the Transport Ministry reported Wednesday [27 October].

In preliminary talks held in August, the two countries agreed to inaugurate twice-weekly service between Ulaanbaatar and Osaka with 150-seat Boeing 727 planes after Kansai International Airport, now under construction, is opened next September, the ministry said.

It said the Mongolian Civil Air Transport operated about 20 charter flights between Nagoya and Ulaanbaatar over a two-month period in the summer.

LDP's Kano, Rengo's Yamagishi on Reform

OW0311015793 Tokyo FNN Television Network in Japanese 2230 GMT 30 Oct 93

[Editorial Report] Tokyo FNN Television Network in Japanese on 30 October, in its 85-minute "FNN News 2001" talk show, which begins at 2230 GMT and which is moderated by Yuji Kuroiwa and Kaori Matsuyama, carries a 26-minute live roundtable discussion with Michihiko Kano, acting chairman of the General Council of the Liberal Democratic Party (LDP). Kano speaks from an unidentified room in the Yamagata Recreation Center in Yamagata and is interviewed through a satellite hookup. The program also carries a 12-minute roundtable discussion with Akira Yamagishi, chairman of the Japanese Trade Union Confederation (Rengo), on the issue of political reform. Regular commentators Kenichi Takemura and Yoshiaki Kobayashi, who is a professor at Keio University, also take in both roundtable discussions.

At 2238 GMT, after a brief introduction consisting of a profile of Kano and his political career, moderator Matsuyama first asks Kano how he views the possibility of passing political reform bills. Kano expresses a strong desire to see the bills passed by the end of this year. When asked about the possibility of reaching a compromise with the ruling parties, Kano says: "We are entering the final stage, and it is natural for the LDP and the ruling parties to make efforts to reach an agreement on the political reform bills. But I do want the people to understand that the LDP-proposed bills have been formulated based on ideas which the LDP believes are reasonable."

Commentator Kobayashi then asks on what points the LDP-proposed bills differ with the government-proposed bills, and what are the points that the LDP cannot compromise on. Kano replies: "My personal opinion is that the focus of political reform is the reform of the electoral system, centering on the single-seat constituency system. I do not want to change this view. I also believe that how we come up with a new political funding system which pays due consideration to the political activities of members of local assemblies is also very important."

When asked about the prime minister's responsibility for the possible failure to pass these bills during the current Diet session, Kano says: "What we have to think about doing now is to make an all-out effort to have the bills passed by the end of this year. As for the prime minister's political responsibility, that only concerns the prime minister, and whether he takes responsibility is his own problem."

At 2242 GMT, the roundtable discussion is interrupted by one minute of video footage showing Rengo Secretary General Etsuya Washio's remarks on the need to reform the constituency system and economist Shin Sataka stressing that priority should be given to measures to prevent political corruption. Following the video footage, moderator Kuroiwa, after saying that public opinion on the need for political reform is still divided, asks Kano why the introduction of a single-seat constituency system is needed. Kano replies: "What we are pursuing is comprehensive political reform including the reform of the electoral system, centering on the single-seat constituency system as well as measures to prevent political corruption. The chief reason why we have to reform the electoral system is that in carrying out political reform, we have to regain the people's confidence in politics. Given such an international upheaval, what we have to do is to establish a political structure that can properly deal with the international situation. In other words, we have to create a system that enables the government to make a decision swiftly and make clear its decision-making process. This is what Japan is required to do. For that purpose, a reform of the system should be carried out with emphasis being placed on policy-oriented politics." He adds, "Therefore, to achieve this goal, it is necessary to shift from the current multiple-seat constituency system to the single-seat constituency system."

After commentator Kobayashi points out the differences between the government-proposed and the LDP-proposed bills in terms of the number of seats allotted for single-seat constituencies and for proportional representation, Kano reiterates that it is difficult to spell out on what the LDP can or cannot compromise. He suggests that the LDP is placing emphasis on setting aside more seats for single-seat constituencies than for proportional representation.

Moderator Kuroiwa notes that there is a move within the LDP to scrap the idea of introducing the single-seat constituency system and asks Kano if it is possible for the LDP to attain an intraparty consensus. Kano stresses: "We believe that LDP President Kono understands that achieving political reform is a major task that has been given to him."

Asked about the possible extension of the session of the Diet, Kano says "that is possible," but he adds that the session should not be prolonged unnecessarily.

For his final question, moderator Kuroiwa asks Kano what Japan has to do amid the current domestic political situation. Kano stresses: "Five years have passed since discussions on political reform began. We need to carry out political reform as soon as possible. There is a host of pending political issues, including how to boost the economy as well as how we should lead our nation amid such an international upheaval." He concludes, "We have to turn Japan's politics into a situation wherein Japan has to carry out what it has to do." The roundtable discussion ends at 2304 GMT.

At 2305 GMT, moderators Kuroiwa and Matsuyama and commentators Takemura and Kobayashi conduct a live studio roundtable discussion with Rengo Chairman Akira Yamagishi. Asked about his views on political reform, Yamagishi says, "The political reform package has to be passed in the current 128th extraordinary Diet," adding "I believe that the probability of political reform bills being passed is 80 percent." Citing the Social Democratic Party of Japan's (SDPJ) reluctance to compromise, moderator Kuroiwa asks Yamagishi whether he can play a role in persuading the SDPJ to do so. Yamagishi replies, "When necessary, I, as an opinion leader of Rengo, which represents labor unions, will call on not only the SDPJ but also the ruling and opposition parties to come to an agreement." He stresses that concerning the finishing touches on negotiations between the ruling parties and the LDP, "I think the negotiations should be concluded by a top-leaders meeting between Prime Minister Hosokawa and LDP President Kono, and the ruling parties and the LDP should agree that all members of the ruling parties and the LDP should follow what will be agreed upon between the two leaders." In this way, he notes that a compromise is necessary to effect political reform.

After discussing major differences between bills submitted by the ruling parties and the LDP, Yamagishi says, "If the bills are shelved or scrapped due to the fault of the Hosokawa cabinet, the cabinet should be dissolved." He adds, however, "If the responsibility lies with the LDP, I think the cabinet should appeal to the judgment of the people." The roundtable discussion with Rengo Chairman Yamagishi on political reform ends at 2317 GMT.

Magazine To Apologize for Criticizing Empress

OW0211131993 Tokyo KYODO in English 1207 GMT 2 Nov 93

[Text] Tokyo, Nov. 2 KYODO—Weekly magazine Shukan Bunshun will soon publish an apology addressed to the Imperial Household Agency for its articles critical of Empress Michiko, officials of the magazine company said Tuesday [2 November].

The apology will appear in the magazine's November 11 issue saying, "We (the editors) apologize that some expressions in the titles and descriptions lacked precision and caused misunderstanding." The November 11 issue will be put on sale Thursday.

In its September 23 issue, the magazine published a story titled, "A Natural Forest in the Imperial Palace Which Emperor Showa (Hirohito) Loved was Cut Down at the Request of Empress Michiko."

A week later, it reported that "The emperor (Akihito) and empress dislike the uniforms of the Self-Defense Forces."

The November 11 issue will also feature a five-page opinion piece about the coverage of the empress, stating that the magazine did not intend to do "Empress Michiko bashing" as another weekly Shukan Asahi called it, the officials said.

"We released the series of features to the public with hopes for the continuity and prosperity of the imperial household," they said. The empress, who collapsed on her 59th birthday on October 20, has since been unable to speak because of what doctors call psychological factors.

Small, Medium-Sized Firms Urge Large Tax Cuts

OW0211090793 Tokyo KYODO in English 0821 GMT 2 Nov 93

[Text] Tokyo, Nov. 2 KYODO—Four groups of small- and medium-sized companies called for early implementation of large cuts in income tax Tuesday [2 November] to prop up the economy. But they opposed a suggestion to raise the consumption tax to enable income tax to be reduced.

The groups, including the Japan Chamber of Commerce and Industry and the Central Federation of Societies of Commerce and Industry, made the call in a report that they will shortly submit to Prime Minister Morihiro Hosokawa and government ministries and committees.

They said raising the consumption tax, which currently stands at 3 percent, would be "a backward move" in terms of improving the economy. They also criticized the proposed abolition of special tax exemption programs for small and medium-sized companies, saying the programs help save smaller companies from failure.

On proposals to raise tax rates on certain products and introduce regional consumption taxes, the groups said such moves would only complicate tax payment procedures.

Referring to calls to change ratios of direct and indirect taxes, the groups said such a change might be necessary from a long-term point of view, but should be left until the nation's economy is put on its feet.

Prefectures Make Record Loans to Firms

OW0311085493 Tokyo KYODO in English 0823 GMT 3 Nov 93

[Text] Tokyo, Nov. 3 KYODO—Prefectural governments across Japan budgeted for a record 5.33 trillion yen in loans to smaller business firms in fiscal 1993 to help them cope with the adverse effects of a strong yen and poor rice crops, KYODO NEWS SERVICE learned Wednesday [3 November].

Out of Japan's 47 prefectures, 45 decided to extend a record amount of loans to beleaguered small and mid-sized firms, whose earnings have generally plummeted amid slumping exports stemming from a higher yen, according to a KYODO survey.

The 5.33 trillion yen in loans in the fiscal year that started on April 1, 1993, represented a 29.1 percent jump from the previous year, the survey found.

The only prefectures whose aggregate loan budgets dropped below their previous year's levels were Aomori and Akita.

Out of the 45, 34 compiled expansionary municipal budgets featuring various new credit facilities or a policy of bolstering the overall amount of loans to such firms.

The prefectures of Osaka, Aichi and Tokyo accounted for 1.9 trillion yen out of the nationwide figure. Officials at the three prefectures attributed the high figure to a great number of business firms whose locations concentrate on the three.

Districts that have demonstrated conspicuous year-on-year increases in such loans were those in Hokuriku (a central Japanese area facing the Sea of Japan) and Chubu (another central Japanese area facing the Pacific Ocean).

The prefectural governments in these areas ascribed the credit leaps to the presence of many export-dependent smaller and mid-sized manufacturers, such as those of apparel, dining products, machines, knives, and ceramic wares.

Firm Introduces Audiovisual Data Telecom Systems

OW0211091193 Tokyo KYODO in English 0833 GMT 2 Nov 93

[Text] Fukui, Nov. 2 KYODO—Unico System Co. said Tuesday [2 November] it will market a series of telecommunications systems enabling the sending of audiovisual data through ordinary telephone circuits. The next-generation "see you system" will be put on sale in late November, Unico said.

Unlike conventional audiovisual data communication systems using integrated services digital network (ISDN) communications lines of Nippon Telegraph and Telephone Corp., the new device can save start-up and running costs, Unico officials said.

The systems, combining computers and cameras with a telecommunication tool developed by Specom Technologies Corp. of the United States, use a new compressing technology of text, audio and visual data.

A system for the purpose of discussing documents will cost less than 1 million yen. Unico will also market on-line education and security systems, the officials said.

North Korea

North-South Contact Canceled After Interview

SK0311100093 Pyongyang Korean Central Broadcasting Network in Korean 0905 GMT 3 Nov 93

[Text] Pak Yong-su, head of the North side's delegation to the working delegates' contact for the exchange of the highest leaders' special envoys of the North and the South, sent on 3 November a telephone message to the senior delegate of the South side as follows:

To Song Yong-tae, senior delegate of the South side to the working delegates' contact for the exchange of the highest leaders' special envoys of the North and the South:

As you know, the delegates of our two sides, through the three rounds of contacts, have shared the same view in principle that the first exchange visit of the North-South special envoys ought to be realized in November, and made some progress in the discussion for its successful realization. This has led to prospects that if the fourth round of contacts is held, an important agreement would be reached for the exchange of North-South special envoys.

At a time like this, the defense minister of your side, at a so-called special news conference abruptly held on 2 November, one day before his annual Security Consultative Meeting with the United States, blamed us for our nonexistent nuclear development and made a very dangerous outburst that the South side will not hesitate to take military countermeasures [kunsa taeung].

This outburst by the military authority of your side is taken to be the negation of the Panmunjom working delegates' contact for the exchange of special envoys itself and an open commitment [kongon] to a military showdown between the North and the South.

Previously, the former defense minister of your side openly declared that he would conduct a military attack on our side's Yonbyon District. You will not have forgotten that this declaration caused irreparable grave consequences. We think that our working delegates' contact for the exchange of special envoys itself is in danger of losing meaning as the military authority of your side has repeated the same situation.

In such a situation, the two sides cannot hold the forth round of working delegates' contacts for the exchange of special envoys as planned, and our delegates will not be able to go to Panmunjom.

We think that your side is totally responsible for this, and we will watch your side's attitude for the time being.

Vice Defense Minister Rebuts Interview

SK0311113893 Pyongyang Korean Central Broadcasting Network in Korean 0900 GMT 3 Nov 93

[Text] Vice Marshal Kim Kwang-chin, vice minister of the People's Armed Forces, on 3 November issued the following press statement denouncing the South Korean defense minister for his open declaration at a special interview with a broadcast reporter on 2 November that he will not hesitate to take so-called military countermeasures [kunsajok taeung], placing blame on us for our nonexistent nuclear development.

The statement of Vice Marshal Kim Kwang-chin, vice minister of People's Armed Forces, follows:

Kwon Yong-hae, South Korean defense minister, at a special interview with a broadcast reporter on 2 November, placed blame on us for our nonexistent nuclear development and declared he will not hesitate to take so-called military countermeasures.

We cannot overlook [kunyang sucho porilsu opta] that the person who is called the defense minister of a civilian government made this reckless and provocative remark. Furthermore, we must note that he made this bellicose remark one day before the annual Security Consultative Meeting with the United tates. Lurking in his remark is the heinous scheme to put the brake on the exchange of special envoys between the North and the South and the DPRK-U.S. talks and to lead the situation on the Korean peninsula to the brink of war.

Now that the South Korean authorities openly vow to take military countermeasures, the peaceful settlement, or the settlement through dialogue, of the nuclear issue between the North and the South has become no longer workable [tonun solchariga opke toeyotta].

As is well known, we have neither the will nor the ability to develop nuclear weapons. As a concerned party, which has been unilaterally subjected to a nuclear threat over the past decades, we have taken deeper interest than anyone else in the solution of the nuclear problem on the Korean peninsula.

We have made consistent efforts to solve the problem in a fair manner through dialogue. Presently, the third round of talks between the DPRK and the United States is the order of the day, and the working delegates' contact for the exchange of special envoys is under way. We treasure these talks and look forward to their good fruition. At a time like this, the South Korean person in military authority of the so-called civilian government raved about military countermeasures. By this they themselves denied that the present regime is a civilian one and totally rejected the resolution of the nuclear issue through dialogue.

This is like a cannon ball shooting out of a civilian mouth. Now that the South Korean authorities have declared military countermeasures, we cannot depend on dialogue indefinitely. In the event that the dialogue process connected with the nuclear issue is ruptured, the South Korean authorities, which avoided the peaceful settlement of the issue, will be held totally responsible.

It is our position to respond to dialogue with dialogue and to war with war. We are prepared both for dialogue and war. Under the condition that the South Korean person in military authority vowed to deal with us with Armed Forces, it is unavoidable that we take countermeasures with Armed Forces. Military countermeasures mean war. Those who attack others with fire will be retaliated against with fire. Our People's Army, which defends like a fortress the well-being of the country, the people, and popular mass-centered our-style socialism, counts on its revolutionary trait to deal with fire with those who dare to attack our dignified Republic and punish them by a hundred- and thousand-fold. Our People's Army has a tradition of the heroic one-a-match-for-a-hundred revolutionary Army, which inflicted death and humiliating defeat whenever enemies, who turned traitor to the nation and disturbed peace in the country, commit military adventure.

If those who wield guns and bayonets against the South Korean people think that they can also wield guns and bayonets against us, then they are miscalculating. Furthermore, if they think they can survive after harming others, there is nothing more foolish. The South Korean puppet defense minister's absurd outburst only foretells his own destruction and the end of the Kim Yong-sam regime, which put up a signboard of a civilian government. They should clearly know that their tragic fate is not forced upon them by us, but by the provokers' own choice. The provokers should not take actions they will regret.

Commentary Denounces South's Defense Budget

SK0211133693 Pyongyang Korean Central Broadcasting Network in Korean 1155 GMT 1 Nov 93

[Commentary by station commentator Chong Pong-kil: "The Manifestation of a Bellicose Nature"]

[Text] The South Korean authorities have finalized their pure defense budget for next year at 10.103 trillion won, according to a report. The South Korean Munhwa Broadcasting Company, reporting this, said that it is for the first time that the defense budget exceeded 10 trillion won and that it is an increase of 9.6 percent over the current fiscal year, accounting for 23.3 percent of the total budget.

The defense budget for the South Korean authorities is the military budget for the preparation of a war of northward invasion. Therefore, their decision on the major increase in the defense budget reveals their scheme to continuously dash along the road to arms buildup and war.

A short while ago, the South Korean ruler Kim Yong-sam, in a policy speech delivered at the National Assembly, stressed the need for the continuous maintenance of a security posture and raved that securing the defense budget in a stable manner is essential. Their maneuvers for an arms buildup start from their bellicose scheme to realize the reunification by defeating communism not by peaceful means but by means of war, placing blame on us.

As has been known, we have put forth the 10-point program for the great unity of the whole nation out of the aspiration to bring a breakthrough to the tense situation on the Korean peninsula and to expedite the country's peaceful reunification. We put forward a proposal for the exchange of the highest leader's special envoys of the North and the South out of the intention to discuss and resolve the pending issues, including the denuclearization of the Korean peninsula, between the North and the South in the interest of the nation, and are making sincere efforts for its realization.

Nevertheless, the South Korean authorities are preparing for war to harm the fellow countrymen, who are extending a hand of reconciliation, and are frenziedly engaged in arms buildup. The puppet army Joint Chiefs of Staff, in a report submitted to the National Assembly early October, raved that it will combine the combat capability of the three services of the armed forces to maintain utmost combat capability. The South Korean Ministry of National Defense last summer put forth a plan for the improvement of the puppet army organization to bring about a major increase in the troops of the Air Force and the Navy over the five years to come. The Navy will be equipped with submarines, destroyers, and anti-submarine patrol planes. The Air Force decided to bring in more F-16 fighter-bombers capable of carrying nuclear bombs. The Army decided to reinforce itself with additional offensive helicopters and tanks to enhance its combat efficiency and mobility.

Needless to say, the South Korean authorities' maneuvers to increase combat capability require enormous investment of fund. The money South Korean authorities have poured into the modernization of the equipment of the puppet armed forces since mid-1970's under the signboard of the Yulgok project amounts approximately to 32 trillion won. Still not satisfied with this, they are attempting to spend more money for war preparations. This reveals how frantically they are engaged in war preparations.

The present South Korean civilian ruling bunch often mentions peaceful reunification and improvement of North-South relations. But their acts reveal that they are as bellicose as the Fifth and Sixth Republic ruling bunch. They have conducted adventurous war rehearsals, such as the Team Spirit-93, Ssangyong-93, Ulchi-93, and Ulchi Focus Lens, repeatedly perpetrating military provocations, and seek international mutual assistance for our fictitious nuclear issue. There are many more instances proving their bellicosity. Their attempt to bring about a major increase in arms next year reveals once again the true color of the civilian warmonger.

The South Korean authorities do not have the desire to engage in dialogue and reconcile with us to reunify the country. They are filled only with the ambition for reunification by defeating communism. But it is a foolish act like jumping into the fire with brushwood on their back.

The South Korean authorities should be aware that the adventurous road of confrontation and war will only result in expediting the fall of the civilian regime, and act with discretion.

Students Mark Anniversary of Kwangju Incident

SK0211234493 Pyongyang KCNA in English 1517 GMT 2 Nov 93

[Text] Pyongyang, November 2 (KCNA)—A Pyongyang meeting of students was held today on the 64th anniversary of the Kwangju student incident.

The incident which occurred as Japanese students insulted a Korean schoolgirl at the end of October, 1929 was a nation-saving struggle of Korean students, a patriotic mass resistance of Korean students against the Japanese imperialists' colonial rule, national humiliation and colonial enslavement education.

In his report Yi Yong-tok, vice-chairman of the Central Committee of the League of Socialist Working Youth of Korea, said the incident taught a precious truth that in order to win in the struggle for the independence of the country and sovereignty of the nation, it is imperative to be guided by a great leader, combine the student movement closely with the struggle of workers and peasants and make the popular masses fight united in one force.

He said that though many years have passed since the incident occurred, the sovereignty of the nation has been grossly trampled underfoot in South Korea.

They are blocking debate on reunification among people of different strata and obstructing meeting between students in the North and the South, he noted.

They must, looking straight at the aspirations of the nation and the trend of the times, come out to put into practice the 10-point programme of the great unity of the whole nation for the reunification of the country with the stand of national independence, abolish the "National Security Law", dissolve "Security Planning Board" and stop suppressing the reunification movement of South Korean students and people at the point of bayonet, he said.

He demanded that the Japanese authorities refrain from doing a foolish act of seeking its insidious ambition by taking issue with someone, make sincere apology for the past crimes against the Korean people and liquidate the past wrong doings with due compensation.

NODONG SINMUN Marks Incident

SK0311120893 Pyongyang KCNA in English 1032 GMT 3 Nov 93

[Text] Pyongyang, November 3 (KCNA)—NODONG SINMUN today in a signed article dedicated to the 64th anniversary of the Kwangju student incident stresses that the Korean people who hold the dignity and honor of the nation dearest will never tolerate the domination and intervention of foreign forces.

The Kwangju student incident which occurred as Japanese students insulted a Korean schoolgirl in the Kwangju-Naju train at the end of October 1929, was an eruption of the pent-up grievance and wrath of the Korean students and people against the barbarous colonial rule of the Japanese imperialists and a brave anti-Japanese patriotic struggle of the Korean people for the independence of the country and the sovereignty of the nation, the article says, and notes:

Though 60 odd years nave passed since the incident, the South Korean people have not yet been freed from the position of a ruined people in a colony. It exposes the flunkeyist and treacherous acts of the South Korean successive ruling quarters.

The existence of the colonial fascist society such as South Korea at the present time when many countries and nations of the world have won independence and taken the road of independence is a disgrace of the nation, the article points out, and goes on:

The South Korean authorities are intensifying tieups with Japan, absurdly talking about the development of South Korea-Japan relations "irrespective of the past" while turning a deaf ear to the people's voices demanding apology and compensation for the past crimes of Japanese imperialism in the relations with Japan.

The South Korean people of all walks of life will oppose the domination and intervention moves of foreign forces and turn out in a valiant struggle against the fascist dictators so as to certainly achieve their desire to live a happy life in a new independent, democratized world free from foreign forces.

NODONG SINMUN Calls for Reunification

SK0311120093 Pyongyang KCNA in English 1027 GMT 3 Nov 93

[Text] Pyongyang, November 3 (KCNA)—Cho Il-min, chief of the Mission of the South Korean National Democratic Front (Hanminjon) in Pyongyang, in an article contributed to NODONG SINMUN today, called on all political parties, public organisations and patriotic personages of South Korea to actively join in the nationwide cause of national reconciliation, unity and reunification in hearty response to the 10-point programme of the great unity of the whole nation.

He says:

The great unity of the whole nation is the only way of saving the nation from foreign aggression and interference and reunifying the country.

All people in the South including patriotic students and intellectuals hardly repress national indignation at the fact that the reactionary forces of the world are openly threatening to impose "international sanctions" on the people in the North, brothers and sisters.

If any "sanctions" were taken against the North, it would mean a declaration of war which would plunge both the North and South of Korea into flames of war and it would inflict the scourge of thermonuclear war on our nation, in addition to the tragedy of division.

As was confirmed more than before with the recent disinterment of the Tomb of Tangun in the suburbs of Pyongyang, ours is a proud homogeneous nation fathered by Tangun, rare to be seen in the world.

The dignity and self-confidence of our fellow countrymen are very high in that they have the great President Kim Il-song and dear Comrade Kim Chong-il as the leaders of the nation.

I am firmly convinced that when our fellow countrymen advance under the brilliant rays of the 10-point programme of the great unity of the whole nation, feeling national pride and honor in having the great president and the dear leader as the central point of great national unity, they can surely put an end to the tragic separation of the nation into South, North and overseas and build a unified confederal state, independent, peaceful and neutral.

The South Korean rulers are enforcing an oppressive policy against the people while turning their back on fellow countrymen and kowtowing to foreign aggressors. This is an indelible crime against history and the nation.

They must turn to the stand of national independence before it is too late and take the road of reunifying the country through harmony and unity hand in hand with fellow countrymen, instead of trying to hurt them in collusion with outside forces.

PRC Civil Aviation Delegation Arrives 2 Nov

SK0211233693 Pyongyang KCNA in English 1501 GMT 2 Nov 93

[Text] Pyongyang, November 2 (KCNA)—A Chinese Government Civil Aviation delegation led by Jiang Zhuping, director general of the General Administration of Civil Aviation, arrived here today.

It was met at the airport by Kim Yo-ung, director of the General Bureau of Civil Aviation of the DPRK, and Qiao Zonghuai, Chinese ambassador to Korea.

Committee Urges Japan To Resume Joint Talks

SK0311070793 Pyongyang KCNA in English 0423 GMT 3 Nov 93

[Text] Pyongyang, November 3 (KCNA)—The Shizuoka Prefectural People's Council for Japan-Korea Friendship on October 22 urged the Japanese authorities to resume early the inter-governmental talks for the normalisation of diplomatic relations between the DPRK and Japan, according to a KNS [Korea News Service in Japan] report from Tokyo.

The delegates of the council handed a letter of request for the resumption of the inter-governmental talks between Japan and the DPRK to the Japanese foreign minister.

The letter recalled that the Japanese prime minister admitted Japan's responsibility for the past war, regarding the war as an aggressive war. It said that many Japanese people expect that a great progress will be made in the relations between Japan and the DPRK under the Hosokawa government.

It demanded that the Japanese Government resume the inter-governmental talks between Japan and the DPRK in keeping with the basic stand of the joint declaration of the three parties and make efforts for early normalisation of diplomatic relations between Japan and the DPRK.

On the same day the Japanese foreign minister said that Japan has a willingness to resume the inter-governmental negotiations and is preparing for it and expressed his views on the question of normalising diplomatic relations between Japan and the DPRK as the foreign minister of the Japanese Government.

That day the delegates of the council went to the office of the prime minister and conveyed to an official concerned a letter of similar request addressed to the prime minister.

Chongnyon Delegation, Student Groups Visit

SK0311121893 Pyongyang KCNA in English 1112 GMT 3 Nov 93

[Text] Pyongyang, November 3 (KCNA)—A delegation of officials of the General Association of Korean Residents in Japan (Chongnyon) led by Kim Kwang-yon, vice-director of a department of its Central Standing Committee; a home-visiting group of students of Korean University of Chongnyon; a home-visiting group of Korean students in Japan; and the 202nd short-term home-visiting group of Koreans in Japan arrived in Wonsan today by ship to visit the socialist homeland.

Document Shows Japanese Aware of Comfort Women

SK0311115493 Pyongyang KCNA in English [illegible]18 GMT 3 Nov 93

[Text] Pyongyang, November 3 (KCNA)—The Japanese MAINICHI SHIMBUN October 30 carried an article revealing that the "government-general in Korea" set up by the Japanese imperialists as a colonial ruling machine had been informed of the moves of the "comfort women for the Army." Such a document had been kept in the archives of the South Korean authorities in Pusan.

The document dated March 1, 1938, was addressed to the foreign minister of the "government-general in Korea" by its official who was sent to a northern area of China at that time. It was found out by a study group of the "Centre of Materials on Japan's Responsibility for the War" including Prof. Yosaaki Yoshimi of Juo University.

The document recorded the names of 230 Korean women who received transfer permits from a Special Service Agency of the Japanese Army and the Japanese imperialists took "comfort women for the Army" to China under the name of "special women," the paper said, and continued:

Prof. Yoshimi, in view of testimonies of former "comfort women for the Army" and of the fact that "special women" were preferentially allowed to move by the Special Service Agency, concluded that most of them were Korean "comfort women for the Army" and explained that this is a material proving that the "government-general in Korea" was informed of the moves of the "comfort women for the Army."

Noting that the discovery of the document indicated that many things related to the "comfort women" problem have not yet been made clear, the paper expressed misgivings to the attitude of the Japanese Government claiming that the investigation has ended and said that it seemed that voices calling for continuous investigation will be lifted up.

Symposium on Japan's Postwar Settlement Planned

SK0311123993 Pyongyang KCNA in English 1114 GMT 3 Nov 93

[Text] Pyongyang, November 3 (KCNA)—A Pyongyang international symposium on Japan's postwar settlement will shortly be held in Pyongyang.

It will be participated in by delegates of various organisations in Asia which have been organized to investigate into the crimes of old Japan and demand apology and compensation for them.

Foreign Minister Greets Cambodian Counterpart

SK0311123293 Pyongyang KCNA in English 1034 GMT 3 Nov 93

[Text] Pyongyang, November 3 (KCNA)—Kim Yong-nam, Foreign Minister of the Democratic People's Republic of Korea, sent a message of greetings to Norodom Sirivut upon his election as minister of Foreign Affairs and International Cooperation of the Royal Government of Cambodia.

Expressing the belief that the traditional relations of friendship and cooperation between the two countries would expand and develop in all fields, the message wished him success in his responsible work.

Meeting Marks Panamanian Independence Day

SK0311045993 Pyongyang KCNA in English 0425 GMT 3 Nov 93

[Text] Pyongyang, November 3 (KCNA)—A meeting to mark the 90th anniversary of the independence of Panama was held at the Chollima House of Culture Tuesday under the sponsorship of the Korea-Latin America and Caribbean Region Friendship Association and the Korea-Panama Friendship Association.

Attending the meeting were Kim Kuk-hon, president of the university of national economy and chairman of the Korea-Panama Friendship Association; Kim Chin-pom, vice-chairman of the Korean Society for Cultural Relations with Foreign Countries and chairman of the Korea-Latin America and Caribbean Region Friendship Association; officials concerned and working people in the city.

A speech was made at the meeting. Then followed the adoption of a message of greetings to the president of the Republic of Panama.

Independence Day of Dominica Observed

SK0311115893 Pyongyang KCNA in English 1020 GMT 3 Nov 93

[Text] Pyongyang, November 3 (KCNA)—Papers here today dedicate articles to the 15th anniversary of the independence of Dominica.

The Dominican people are now striving to build a new society by mobilizing and using natural resources of the country, MINJU CHOSON in a by-lined article says, and goes on:

Dominica is making efforts to develop relations with Caribbean countries.

Korea established diplomatic relations with Dominica at the ambassadorial level on Sept. 18, 1979.

The Korean people extend congratulations to the Dominican people on the independence day of the country and wish them new success in their work for building a new society.

Malian, French Groups Support Reunification

SK0311115093 Pyongyang KCNA in English 1013 GMT 3 Nov 93

[Text] Pyongyang, November 3 (KCNA)—Malian and French Organizations released statements fully supporting the Korean people's cause of national reunification in the month of support to the proposal for founding the Democratic Confederal Republic of Koryo (DCRK.)

The Malian Youth Revolutionary Front for Independence voiced full support to the Korean people in their struggle to achieve the independent and peaceful reunification of the country by means of founding the DCRK and called on all the governments and peoples of the world and international organizations to intensify the international solidarity movement supporting the Korean people's cause of reunification.

It bitterly denounced the anti-reunification, anti-national criminal acts of the South Korean authorities who have ruthlessly trampled down the ever growing desire of the people for reunification by invoking the "National Security Law" and other evil laws and fostered distrust between the North and the South.

The Puy-De-Dome Regional Committee of the France-Korea Friendship Association said the DCRK founding proposal is the most realistic and reasonable proposal which makes it possible to realise a peaceful reunification of Korea by achieving great national unity.

Holding that Korea should be reunified in accordance with the proposal for confederation, it expressed full support and solidarity for the Korean people in their just struggle.

Foreign Visitors Praise 'Korean-Style Socialism'

SK0311114893 Pyongyang KCNA in English 1008 GMT 3 Nov 93

[Text] Pyongyang, November 3 (KCNA)—Foreign friends who had visited Korea spoke highly of Korean-style socialism.

Ruben Vera, chairman of the March 26 Movement of Uruguay, said: Korean-style socialism is the future and hope of mankind. It is because only socialism brings true happiness to people.

Ali Houdou, secretary general of the Party of Revolution of Benin, said:

When ten of millions of unemployed, drug addicts, murderers, robbers, and all other social vices are holding sway in Western countries including the United States and those people who are deprived of even elementary human rights are in spate, Korea is quite contrary to it.

Frank Baude, chairman of the Communist Party-KPML (R) of Sweden, said:

The Korean people have stable jobs according to their demand and ability as full-fledged masters of the country and society, not knowing the word of taxation and lead a happy life under the benefits of free education and free medical care. This is the true feature of Korean-style socialism.

Comrade Kim Chong-il's Works Disseminated Abroad

SK0311133793 Pyongyang KCNA in English 1005 GMT 3 Nov 93

[Text] Pyongyang, November 3 (KCNA)—The Egyptian paper AL-SIYASI carried "Our Socialism Centred on the Masses Shall Not Perish," a work of the dear leader Comrade Kim Chong-il.

A seminar on his work "The Historical Lesson in Building Socialism and the General Line of Our Party" was held by the Lahore, Pakistan, committee for the study of Kimilsongism.

The speakers said that the work was a highly important guideline which gives a scientific analysis of the reason why socialism was frustrated in some countries and indicates the way of steadfastly defending and successfully accomplishing the socialist cause. They stressed that the world revolutionary parties and people desirous of socialism should strengthen the people's government and thoroughly carry on three revolutions, ideological, technical and cultural, in order to accomplish the socialist cause.

A lecture on "The Workers' Party of Korea is a Chuche-Type Revolutionary Party Which Inherited the Glorious Tradition of the 'DIU [Down With Imperialist Union]'" was given by the chuche idea study committee of Maharashtra State, India and an explanatory lecture and round-table talk on his work "Abuses of Socialism are Intolerable" was sponsored by the State Department of Irrigation under the Agricultural Ministry of Mozambique.

Radio on 'Creative Regional Budgetary System'

SK0311101193 Pyongyang Korean Central Broadcasting Network in Korean 1300 GMT 31 Oct 93

[Text] For the past 20 years since the great leader Comrade Kim Il-song presented the creative regional budgetary system of our own style, the system, as a chuche-oriented socialist budgetary system, has greatly contributed to the frugal management of regional economic life, improving people's lives, correctly executing state budgets, and accelerating overall socialist construction.

All the provinces, cities, and counties have waged the struggle to thoroughly implement the party's policy on the regional budgetary system. As a result, during this period, the total regional budget revenues increased 2.6 times. Also, Sinuiju City, Sinyang, Ongjin, and Kumgang Counties, and Songchongang District of Hamhung have had the honor of receiving the title of exemplary county, city, and district, so that such areas have increased to number almost 40.

Cities and counties, as comprehensive units for regional economic development, have built themselves up by waging the struggle to better implement the regional budgetary system. They have developed regional industries, people's service work, and trade by positively finding and mobilizing internal reserves and, have thus, endlessly improved workers' lives.

The proud achievements of cities and counties have clearly proven the great superiority and vitality of our party's regional budgetary system which was designed so that regions could manage their own economic life and send revenues to the state by correctly combining the state's central guidance and the regions' creative initiative.

The great leader Comrade Kim Il-song has taught: The regional budgetary system is a creative socialist budgetary system that was implemented for the first time in our country.

In October 1973, the great leader Comrade Kim Il-song, perceiving the lawful requirements of socialist construction and the demand of the developing times in our country, presented a creative policy on the regional budgetary system by which regions could manage their economic life on their own under unified state guidance and fully elucidated tasks and ways of implementing the system. The great leader set annual budget revenues for each city and county, presented tasks for each stage, and wisely gave guidance to thoroughly implement the regional budgetary system, thus effecting momentous change in the management of regional economic life.

In compliance with the new demands of the developing times, the dear leader Comrade Kim Chong-il has further developed and enriched ideas and theories on the regional budgetary system and arranged lectures on exemplary units or debate meetings to listening to experiences from exemplary units to ensure that the principle on the regional budgetary system shows its great superiority and vitality. He has also led the movement to win the exemplary city and county title in implementing the regional budgetary system.

In hearty response to the plan and intention of the great leader Comrade Kim Il-song and the dear leader Comrade Kim Chong-il, all provinces, cities, and counties have positively waged the struggle to better implement the regional budgetary system. In 1973, when the regional budgetary system began being implemented, approximately 170 cities and counties managed their economic life with state subsidies. Since 1977, however, all cities and counties balanced their expenses with their own revenues and transferred much capital to state.

As a result of the movement to win the exemplary county, city, and district title in implementing the regional budgetary system, Kumya County of South Hamgyong Province won the exemplary county, city, and district title in implementing the regional budgetary system for the first time. It was followed by Yomju County, Tongdaewon District of Pyongyang, and various other units. Nine districts of Pyongyang have already won the exemplary district title in implementing the regional budgetary system, and, the city has taken the lead in implementing the regional budgetary system. Among exemplary counties that implemented the regional budgetary system, Changsong County has built a materials production base of approximately 1,170 chongbo [one chongbo equals approximately 10,000 square meters]; Ongjin County, one of approximately 740 chongbo; and Yontan and Yomju Counties each built production bases of approximately 400 chongbo. They have also operated regional industrial plants well and increased the production of various consumer goods. Export goods production bases have also been expanded and regional economic life continues to be managed well.

Chungsan and Yangdok Counties, Hoeryong City, and various other cities and counties have efficiently used sources of raw materials in regions to build stronger regional economic bases and developed trade by highly displaying the revolutionary spirit of self-reliance and arduous struggle. In this way, they have further improved people's lives.

Cities and counties paid particular attention to improving service work in implementing the regional budgetary system and, as a result, brought about great achievements in this work. All the cities and counties have been equipped with excellent service networks and improved service organizations and methods. Revenues in the service sector greatly increased last year compared to 1973. Regions have built construction material bases befitting each's characteristics and positively accelerated construction of houses, official buildings, and official facilities. These construction material bases greatly contributed to modernizing and beautifying the construction of cities and counties.

Art Works Depicting Leaders' Activities Shown

SK0211234093 Pyongyang KCNA in English 1511 GMT 2 Nov 93

[Text] Pyongyang, November 2 (KCNA)—The Mansudae Art Studio of Korea has produced many pieces of fine arts depicting the revolutionary activities of the great leader President Kim Il-song and the dear leader Comrade Kim Chong-il.

Among them are many canvases portraying at a high artistic level the glorious revolutionary history of President Kim Il-song who embarked upon the road of revolution in his early years, pioneered the revolutionary cause of chuche and has led the long-drawn-out arduous Korean revolution to a victory.

The Korean paintings "The Great Leader Comrade Kim Il-song Leaving a Peddler's Inn," "Our Mother," "First Armed Team Members," and "After Talks With Wu Yi-cheng" are based on "With the Century," the reminiscences of President Kim Il-song.

The creators produced many works depicting President Kim Il-song who led the fatherland liberation war to a victory with his rare wisdom, steel-like will, and superb military strategy.

Typical are the Korean paintings "General Kim Il-song, Ever-Victorious Iron-Willed Brilliant Commander Who Defeated the U.S. Imperialists," "Road to the Front" and "Uniting the Army and People Into One".

The poster "Highest Glory to Generalissimo Kim Il-song, Iron-Willed Brilliant Commander" gives an intensive representation of his great exploits in defeating the two imperialisms in one generation.

The creators also successfully completed the Korean painting "Evening of Pyongyang" depicting Comrade Kim Chong-il, who is leading the party, the people and the revolutionary Armed Forces to victory, standing on the bank of the Taedong River on the auspicious evening of celebrating the Korean people's victory in the war, commanding a night view of the capital.

The poster "No Motherland Without You!" gives a vivid portrayal of the firm faith and will of the Korean people to share the same destiny with Comrade Kim Chong-il in whatever adversity.

There are many works portraying Comrade Kim Chong-il who has built up the internal force of our revolution with the politics of affection and trust and strengthened and developed the People's Army into a-match-for-a hundred revolutionary Armed Forces.

South Korea

Reportage on Visit by U.S. Defense Secretary

Reaffirms Commitment to UN Resolution

SK0311090793 Seoul YONHAP in English 0844 GMT 3 Nov 93

[Text] Seoul, Nov. 3 (YONHAP)—U.S. Defense Secretary Les Aspin reaffirmed the U.S. commitment to resolution of the North Korean nuclear problem Wednesday, calling it a threat not only to the Korean peninsula but to all of Northeast Asia.

Washington was deeply committed to halting and encountering the proliferation of nuclear weapons, Aspin said on arrival at an air base in Songnam, South of Seoul, from Japan for the South Korea-U.S. Security Consultative Meeting (SCM) on Thursday.

"The North Korean nuclear program is one of our major challenges. We are committed to nuclear-free Korean peninsula," he said.

Aspin's arrival comes at a critical time, when the world's eyes are set on North Korean and its nuclear development program.

North Korea was the lone opponent to a United Nations General Assembly resolution on Monday that urges the communist regime to"cooperate immediately" with the International Atomic Energy Agency (IAEA) for its nuclear safeguards activities in the suspected military sites in Yonbyon.

Aspin, who co-chairs the 25th security meeting in Seoul, and other U.S. senior defense officials will closely approach the problem with their South Korean counterparts.

Just before the approval of the U.N. resolution, Washington warned that it could take the North Korean nuclear problem to the U.N. Security Council, throwing cold water on Pyongyang's hope for better relations with America.

Washington has taken a series of steps to realize a nuclear-free Korean peninsula, including two rounds of negotiations with North Korea, Aspin said.

"Regrettably, North Korea has not yet lived up to either its international obligation under the Non-Proliferation Treaty nor its bilateral obligation under the South-North denuclearization agreement of December 1991," he said.

Aspin was greeted by his Korean counterpart, Kwon Yong-hae; Chairman of the Joint Chiefs of Staff Gen. Yi Yang-ho, and new U.S. Ambassador to Seoul James Laney.

Washington had done its bit to resolve the nuclear problem through peaceful means such as dialogue and it was now up to Pyongyang to make its move, he said.

"The ball is now in North Korea's court. The world awaits," he said. "We strongly urge North Korea to permit inspections under the IAEA, sufficient to ensure that safeguards remain in place and to meet peace and cooperation with South Korea."

The U.S. defense leader reiterated the "deep" U.S. commitment to the defense of Korea and security and stability of Northeast Asia, and repeated President Bill Clinton's pledge that the United States would maintain its forces in South Korea as long as the people of Korea wanted them to stay.

After arriving, Aspin met with Foreign Minister Han Sung-chu to coordinate on the nuclear problem and is scheduled to call on President Kim Yong-sam early Thursday.

The two defense ministers will have a tete-a-tete on Thursday to get down to the nitty-gritty of the nuclear issue and approve the transfer of peacetime operational control authority over the South Korean Armed Forces to Korea by Dec. 1, 1994, as agreed in the Seoul-Washington Military Committee meeting Wednesday.

After the SCM General Meeting at the Defense Ministry, the ministers will affirm their position and agreement in a joint press conference.

Without a change in Pyongyang's position on nuclear inspections, the Allies are expected to go on with next year's "Team Spirit" military exercise.

They are said to have agreed to further discuss the transfer of wartime operational control of the U.S. 7th fleet to the South Korea-U.S. Combined Forces Command in future talks.

Korea's 1994 share of U.S. defense spending in Korea is said to have been agreed at 260 million U.S. dollars, a hike of 22 percent.

Sanctions May Be 'Inevitable'

SK0311105293 Seoul YONHAP in English 1005 GMT 3 Nov 93

[Text] Seoul, Nov. 3 (YONHAP)—Dialogue will end and sanctions will be inevitable against North Korea if the International Atomic Energy Agency (IAEA) declares nuclear safeguards is broken, South Korea and the United States agreed Wednesday.

U.S. Secretary of Defense Les Aspin, in Seoul to attend the annual Security Consultative Meeting (SCM), met with South Korean Foreign Minister Han Sung-chu and noted that the IAEA believes the safeguards activities are "damaged" rather than "broken."

"Both sides expressed concerns at what is happening," Chang Chae-yong, Foreign Ministry's Director-General for American Affairs, said after the meeting.

"We took note that IAEA Director-General Hans Blix said the continuity of safeguards on North Korea is damaged, not broken, and thus we would still try to solve the nuclear problem through dialogue," he said. But Han and Aspin agreed that whenever the Agency declares that the safeguards is broken, the dialogue will stop and sanctions will become inevitable, Chang told reporters.

The talks that lasted nearly half-hour beyond schedule was dominated by North Korea's nuclear issue, he said. The questions raised were predictions on how Pyongyang will respond to IAEA's demand for inspections and what Seoul and Washington will do once the safeguards is broken, he said.

The North Korean nuclear situation took a bad turn as Han and Aspin were in talks. Pyongyang unilaterally announced it cancels Thursday's contact with Seoul on exchange of presidential envoys, a move understood as retaliation for the Nov. 1 U.N. resolution urging North Korea to immediately cooperate with the IAEA.

Seoul officials analyzed that Pyongyang wanted to wait until after the SCM results were out Thursday afternoon where South Korea and the United States are expected to announce their position on holding their annual joint military exercise "Team Spirit."

Tom Hubbard, deputy assistant secretary of State also in Seoul for SCM, met separately with Foreign Minister Han and said he was "deeply disappointed" at North Korea's decision to cancel the contact.

Inter-Korean dialogue is an important part to solving Pyongyang's nuclear situation, Hubbard was quoted as saying, and he regrets this negative development.

Substantial progress in North Korea-South Korea, North Korea-IAEA negotiations are prerequisites for next round of Pyongyang-Washington high-level talks.

Han and Aspin had reaffirmed in their meeting that these two preconditions are still valid.

"The most important variable right now is Blix's judgment on when the safeguards is broken," Chang said. "Seoul and Washington believe this judgment is entirely up to the IAEA."

Talks With Japanese Counterpart Noted

SK0211125193 Seoul YONHAP in English 1241 GMT 2 Nov 93

[Text] Tokyo, Nov. 2 (YONHAP)—The United States and Japan agreed here on Tuesday that it is desirable to resolve the North Korean nuclear issues through dialogue.

The two countries also shared the view that negotiations between the United States and North Korea would be the most important conduit for the time being in the efforts to resolve the nuclear question.

The agreement came during talks between U.S. Secretary of Defense Les Aspin, now on a visit here, and Japanese Defense Minister Keisuke Nakanishi on Tuesday afternoon.

The two defense officials decided their countries would maintain close cooperative relations so as to help the United States resolve the nuclear question with North Korea by means of dialogue.

The officials also discussed the possibility of the United Nations taking an economic sanction against North Korea in the event U.S.-North Korea negotiations fail. But, no details of this discussion were disclosed.

Secretary Aspin reportedly told Nakanishi that today's situation of North Korea is symbolic of a new threat born after the Cold War. He then stressed that to cope with this sort of threat, it is important to employ the Total Missile Defense (TMD) System, asking Japan to take part in it.

Secretary Aspin flies to Seoul on Wednesday to attend the 25th Korea-U.S. annual security consultative meeting.

Daily Cites Ackerman on Pyongyang, Seoul Visits

SK0311035993 Seoul THE KOREA TIMES in English 3 Nov 93 p 1

[By KOREA TIMES correspondent Kim Chang-yong]

[Text] New York—U.S. Congressman Gary Ackerman, who visited Pyongyang last month, has observed that no progress would be made in establishing relations between the United States and North Korea without the latter fully returning to the Nuclear Non-Proliferation Treaty and opening its nuclear facilities to international inspection.

In a meeting with Korean newsmen arranged by Sunkyong America, a wholly-owned subsidiary of the Sunkyong group, at the SKA building here Monday, Ackerman, Dem.-New York, chairman of the House subcommittee on Asian and Pacific affairs, said:

"Among many developments I saw in Pyongyang were that North Koreans were very much interested in normalization (of relations with the United States) as well as trade. In order to make it happen, we have a long way to go to resolve the nuclear issue as well as discussions between North and South Korea on unification."

"In my knowledge, no negotiations between Washington and Pyongyang are going on behind the scenes," he said. "There are discussions that are going on. But there are big differences between negotiations and discussions. We are in the midst of rather a high-stakes game and I think the position of the American government is quite clear on the nuclear issue and what we have to do to resolve it."

He viewed chances of inter-Korean economic cooperation, none the less political appeasement "very low" as long as the communist North has nuclear ambitions on the ground that no nation will deal with another under the threat of its nuclear weapons.

He met with both North Korean President Kim Il-song in Pyongyang on Oct. 12 and South Korean President Kim Yong-sam in Seoul a couple of days later. He disclosed that he warned the Stalinist North Korean leader of a nuclear arms race in the Northeast Asian region if the North remains reluctant to allow international inspectors to come in and inspect facilities at Yongbyon, suspected by Western intelligence agencies of being clustered with concealed installations.

"One of the things I said to President Kim Il-song is that it will be unfortunate if the world came to the conclusion that North Korea has nuclear capabilities or even that North Korea has given the impression of having nuclear capabilities. The unfortunate part of that is we would expect that other countries in the region such as Japan might want to revive the question of their nuclear power. China has nuclear capabilities. One would expect South Korea also wants to have nuclear capabilities," he said.

He went on to say that two possibilities which he said history has taught, are that a nuclear war could break out and all parties concerned would "go bankrupt."

Ackerman, who unnerved many Koreans because of his exaggerated gestures after crossing the Korean border and his cancellation of an appointment with Deputy Premier-unification Minister Han Wan-sang in Seoul, described his action again as "ice-breaking" for peace on the divided Korean peninsula.

Apparently keeping in mind the Korean-Americans in his electoral district in New York, he added, he had asked Kim Il-song to help them correspond with their family members in the North and he revived a positive reply.

"The process is going on now. It is a small program for a select number of people who have family members in North Korea and have not heard from them for many, many years. We will send a list of them to North Korea. North Korean President Kim Il-song said he would be willing to find their relatives," he disclosed.

Ackerman, 52, was elected to his sixth term in Congress a year ago in New York where about 300,000 ethnic Koreans reside.

U.S. To Transfer Control of Armed Forces

SK0311034493 Seoul YONHAP in English 0328 GMT 3 Nov 93

[Text] Seoul, Nov. 3 (YONHAP)—The peacetime operational control authority (OCA) of the Korean Armed Forces, which currently belongs to the commander of the Korea-U.S. Combined Forces Command (CFC), will be transferred to the Korean side by Dec. 1, 1994.

From that date on, the chairman of the Korean joint chiefs of staff will exercise the OCA, with the result that the Korean military will take initiatives and lead combined efforts to defend the Korean peninsula.

Gen. Yi Yang-ho, chairman of the joint chiefs of staff, and his U.S. counterpart, Gen. John M. Shalikashvili, held the 15th ROK-U.S. Military Committee Meeting (MCM) at the Defense Ministry Wednesday morning.

At the meeting, which was also attended by other senior military officials of the two countries, Yi and Shalikashvili agreed to maintain the combined defense structure. But the OCA will be transferred to the Korean side by Dec. 1, 1994.

They will formally table the proposal at the 25th South Korea-U.S. Security Consultative Meeting (SCM), which opens here Thursday.

An initial agreement on the transfer of the OCA came at the 24th Security Consultative Meeting, but a firmer agreement was reached at Wednesday's meeting, officials said.

The agreement was part of bilateral efforts to let South Korea take more initiative in defending security amid rapidly changing situation surrounding the Korean peninsula, the officials said.

Specifically, the Korean military will take the initiative in defending the country in peacetime with the U.S. troops stationed here taking a supporting role. The move is aimed at maintaining "the ROK-U.S. combined deterrent potential," while facing the problem of improving relations between South and North Korea, officials said.

The two countries are also expected to reach agreement on transferring the wartime operational control authority of the 7th U.S. fleet to the Korea-U.S. combined forces command in order to beef up U.S. strategic support in case of war in Korea, the officials said.

The agreement is likely to be made in accordance with the United States' new strategy worked out by the Bill Clinton administration designed to win conflicts occurring in two different areas of the globe nearly simultaneously.

The chairmen of the joint chiefs of staff of the two countries shared the opinion on the need for strengthening the mutually complementary partnership of their countries.

To that end, they agreed to continue to beef up the combined defense potential for not only the Korean peninsula but in the long-term for the stability of the Northeast Asia region, the officials said.

Especially, Yi and Shalikashvili reaffirmed their intention and determination to defend the Korean peninsula. If, however, a crisis is precipitated in Korea, the United States will immediately put in rapid deployment elements, consisting mainly of air and naval power.

Moreover, if war breaks out, the two sides agreed, the United States will continuously provide reinforcements.

In addition, the two sides agreed that the U.S. Forces will continue to take responsibility for the management of the joint security area in the truce village of Panmunjom as long as the United Nations command exists.

Students Declare Anti-U.S. 'Struggle Period'

SK0311070393 Seoul HANGUK ILBO in Korean 3 Nov 93 p 15

[Text] The National Federation of General Student Councils [Hanchongnyon] has declared an anti-U.S. struggle period from 28 October until this week, and students of the Kwangju-South Cholla Provincial Federation of General Student Councils staged a demonstration in front of the American Center in Kwangju on 2 November. Therefore, the Seoul Police Administration beefed up security for U.S. facilities on 3 November.

The Seoul Police Administration sent a cable to police stations saying that Hanchongnyon students may try to storm and occupy U.S. facilities or stage demonstrations near those facilities on Student Day [3 November] and asked police stations to beef up security for major U.S. facilities and arrest and punish all students who try to storm and occupy them.

Meantime, 500 students of the Seoul District Federation of General Student Councils are scheduled to attend a "meeting to denounce the ROK Government's rejection of Seoul-Pyongyang soccer games" and a Student Day celebration at Sogang University at 1300 on 3 November.

Government Reacts to Demonstrations

SK0311120693 Seoul YONHAP in English 1147 GMT 3 Nov 93

[Text] Seoul, Nov. 3 (YONHAP)—The government on Wednesday afternoon warned it will not tolerate violent demonstrations and said it will ferret out and punish all masterminds of Tuesday's student violence in Kwangju.

The warning came one day after hundreds of activist students demonstrated near the American Center in Kwangju, in the course of which they violently clashed with the riot police.

Two police vehicles were burnt down and 27 policemen injured, several of them seriously. The number of injuries on the part of students was not known.

"We will sternly cope with any act undermining the statutory order in the interests of public peace," said three relevant government ministers in their joint press conference.

The three were Home Minister Yi Hae-ku, Justice Minister Kim Tu-hui and Education Minister O Pyong-mun. The ministers stressed that the government, in particular, cannot condone activist students making virtually same demands as North Korea does.

They said the demands the demonstrating students shouted in Kwangju included the repeal of the National Security Law, withdrawal of American Forces from Korea, adoption of the North's cofederation formula, and rejection of inspection of North Korea's nuclear facilities.

"Shouting these demands is the very act of siding with North Korean policies, which we cannot tolerate under any circumstances," the ministers said.

North Cancels Working Contact Set for 4 Nov

YONHAP Outlines Talks Plan

SK0311023493 Seoul YONHAP in English 0224 GMT 3 Nov 93

[Text] Seoul, Nov. 3 (YONHAP)—South and North Korea hold their fourth working-level contact to discuss the procedures for an exchange of special envoys and possible suspension of the annual South Korea-U.S. "Team Spirit" military drill on Thursday in the Southern sector of the truce village of Panmunjom.

The inter-Korean contact comes at a critical point as the United Nations general assembly adopted an unprecedented resolution against North Korea over nuclear inspections on Monday and the United States warned of the possibility of referring the problem to the U.N. Security Council, whose decision has binding force.

Seoul is expected to argue the exchange cannot be postponed forever and to maintain its position that the two sides should exchange presidential envoys in the near future to first of all resolve the nuclear issue and then discuss other inter-Korean issues.

It will propose suspending next year's Team Spirit exercise and offer full support for Pyongyang to realize better relations with Seoul's allies, like the United States and Japan, if the communist regime shows sincerity in settling the nuclear problem.

Observers are pessimistic that some kind of agreement can be reached in Thursday's meeting as Pyongyang is said to be basing its decision on the inter-Korean exchange of envoys on progress in behind-the-scenes contacts with U.S. officials in New York.

Canceled Due To 'Remarks'

SK0311092393 Seoul YONHAP in English 0903 GMT 3 Nov 93

[Text] Seoul, Nov. 3 (YONHAP)—North Korea informed the South on Wednesday [3 November] they would not attend the fourth working-level contact set to take place on Thursday at Panmunjom to discuss the proposed exchange of special envoys between the two Koreas.

In a telephone message to the South, Pak Yong-su, North Korea's chief delegate to the working-level contact, charged, "your side's defense minister made dangerous remarks in a special press conference on Tuesday, in which he said even military action would not be ruled out 'with regard to our nuclear development' that does not exist."

Pak went on to say in the message, "these intemperate remarks by your side's military authorities amount to denying the on-going Panmunjom working-level contact itself and to declaring a military confrontation between the South and the North."

Under the circumstances, he said, it has become difficult to hold the fourth working-level contact as planned, "making it impossible for our delegation to go to Panmunjom."

Recalling that a former South Korean Defense Minister openly spoke of a military strike against "our Yongbyon area" once in the past to bring about an irrevocable grave consequence, the North Korean official asserted that "the exactly same thing was repeated by your side's military authorities, putting our working-level contact itself to the danger of its becoming meaningless."

Pak said the North believes that responsibility for the development lies entirely in the South, adding that "we will watch your side's attitude over a time."

An observer here said North Korea is boycotting Thursday's contact obviously because they are in an unfavorable position due to the recent adoption by the United Nations General Assembly of a resolution against them over the nuclear issue.

Daily Publishes UN Resolution on Nuclear Issue

SK0311033793 Seoul THE KOREA TIMES in English 3 Nov 93 p 4

["UN IAEA Resolution"]

[Text] 1. Takes note of the report of the International Atomic Energy Agency;

2. Affirms its confidence in the role of the Agency in the application of nuclear energy for peaceful purposes;

3. Welcomes the re-appointment of Dr. Hans Blix as Director General of the Agency;

4. Urges all States to strive for effective and harmonious international co-operation in carrying out the work of the Agency, pursuant to its statute; in promoting the use of nuclear energy and the application of the necessary measures to strengthen further the safety of nuclear installations and to minimize risks to life, health and the environment; in strengthening technical assistance and co-operation for developing countries; and in ensuring the effectiveness and efficiency of the safeguards system of the Agency;

5. Welcome the decisions taken by the Agency to strengthen its safeguards system;

6. Welcomes also the decisions taken by the Agency to strengthen its technical assistance and co-operation activities;

7. Commends the director general and the secretariat of the Agency for their impartial efforts to implement the safeguards agreement still in force between the Agency and the Democratic people's Republic of Korea, and urges the Democratic People's Republic of Korea to cooperate immediately with the Agency in the full implementation of the safeguards agreement;

8. Also commends the director general of the Agency and his staff for their strenuous efforts in the implementation of Security Council resolutions 687 (1991) of a April 1991, 707 (1991) of 15 August 1991 and 715 (1991) of 11 October 1991, and endorses his efforts to put in place the necessary measures for the implementation of the plan for future ongoing monitoring, in accordance with Security Council resolution 715 (1991);

9. Requests the secretary-general of the Agency the records of the forty-eighth session of the General Assembly relating to the activities of the Agency.

Ambassador to UN Interviewed on Nuclear Issue

SK0311052193 Seoul TONG-A ILBO in Korean 3 Nov 93 p 3

[Interview with Yu Chong-ha, ambassador to the United Nations, by an unidentified reporter; date and place not given]

[Text] [Reporter] The UN General Assembly will adopt a resolution on North Korea in a lopsided vote today. This will put North Korea in a difficult position. What do you think about this?

[Yu Chong-ha] Yes, that is true. I am sorry for such a North Korean position. North Korea has failed to find a country that sympathizes with it. The adoption of the UN resolution in a lopsided vote means that the international community has sent to North Korea a warning on the nuclear issue. The resolution constitutes a message to North Korea that its nuclear issue is not a bilateral one between the United States and North Korea but a duel with the international community and that North Korea will be isolated from the international community if it continues to reject nuclear inspections.

[Reporter] We understand that North Korea recently said that it will allow the replacement of film and batteries of monitoring cameras.

[Yu] North Korea adheres to the position that it will only open a limited number of nuclear facilities for inspection instead of all facilities.

[Reporter] What do you think about the prospects for resolving North Korea's nuclear issue?

[Yu] It is not certain if North Korea really intends to develop nuclear weapons or if it attempts to wring concessions from the United States by holding out to the maximum. I think that when North Korea realizes that the United States will not make further concessions, it will change its position if it really intends to squeeze concessions.

Minister Links Reunification to Nuclear Issue

SK0311081493 Seoul YONHAP in English 0802 GMT 3 Nov 93

[Text] Seoul, Nov. 3 (YONHAP)—Deputy Prime Minister Han Wan-sang told a seminar on unification Wednesday that the North Korean nuclear problem should be settled before "all other matters in inter-Korean relations."

"North Korea's nuclear problem should be resolved in a way not to increase tension on the Korean peninsula," he added, hinting that Seoul will seek a solution to the problem by negotiation with Pyongyang despite the passage of a United Nations resolution on the issue.

Cooperation among concerned nations is absolutely necessary because of the international nature of the nuclear problem, Han, who is also national unification minister, said in his keynote speech. The seminar at the Korea Press Center was organized by the Seoul Foreign Correspondents' Club.

"When the North Korean nuclear problem is settled, Seoul will pursue a policy to embrace North Korea," he said.

Country Willing To Consider Rice Loan to North

SK0311055493 Seoul THE KOREA HERALD in English 3 Nov 93 p 2

[Text] Prime Minister Hwang In-song said yesterday that South Korea was willing to consider rice assistance to North Korea which is suffering from a severe food shortage, if only North Korean nuclear issue is settled. Hwang said Seoul will positively consider the measure "from a humanitarian viewpoint." Hwang, however, denied the report that Seoul has received an official request from Pyongyang to loan rice.

The prime minister made the point while answering questions raised by lawmakers during a National Assembly interpellation on economic issues.

Five lawmakers of rival parties who took the floor on the fourth day of a five-day interpellation called on the government to dramatically step up investment in infrastructure and accused previous governments of neglecting to properly develop the nation's roads and ports.

They demanded to know how the government was prepared to carry out the suggested intensive investments in ports, industrial roads and other infrastructure areas to help enhance international competitiveness.

The five lawmakers—three from the Democratic Liberal Party (DLP) and two from the opposition Democratic Party (DP)—claimed that traffic congestion stemming from an overloaded road network cost the nation about 5 trillion won (roughly $6.25 billion) each year.

Rep. Chong Kyun-hwan of the opposition DP called on the government to postpone the Seoul-Pusan high-speed railway system. He said that the project would aggravate unbalanced regional development and that the cost would soar to 30 trillion won by the time the project was finished. He critized the government for having ignored the feasibility of a magnetic levitation train system, widely known as Maglev, which he said would outdate conventional trains. He said Germany would put Maglev trains on the market in 2001.

Chong also called on Prime Minister Hwang In-song to respond to the allegation that the South Korean government received hundreds of billions of won in political funds in connection with the selection of GEC Alsthom, maker of the TGV, as the contractor for the high-speed railway project.

The government has announced that the project would cost 10.7 trillion won, but Chong said the cost may balloon to 30 trillion won. He also suggested that the government increase investment for development along the West Coast.

Rep. Yi Taek-sok of the ruling DLP said that cool weather caused some 800 billion won in losses to farmers across the nation and called on the government to compensate for the loss. He also called on the government to raise investment in technology development, which he said was only $6 billion annually.

Rep. Yi Kil-chae of the DP called for enactment of a special bill to punish retired and incumbent ranking government officials who speculated in real estate. He also suggested military equipment and manpower be put to use on rural renewal projects and construction of infrastructure.

Reps. Yi Kang-tu and Song Mu-yong of the DLP suggested that the government review the five-year new economic plan, saying some of the targets had already been readjusted. They also called for proper measures to ease traffic snarls in larger cities.

Pyongyang Officials To Attend Tuman Workshop

SK0311124793 Seoul YONHAP in English 1101 GMT 3 Nov 93

[Text] Seoul, Nov. 3 (YONHAP)—Three North Korean working-level officials are expected to visit Seoul toward the weekend to attend an international workshop on the Tuman project being promoted under the aegis of the U.N. Development Program (UNDP). The second Tuman project workshop in the industrial and resources areas is taking place at the Sofitel Ambassador Hotel in Seoul on Nov. 8-10.

North Korea on Tuesday informed the Seoul government that their three delegates to the workshop will be headed by Hwang Chong-nam, a division chief of the External Economic Cooperation Commission. The two other Pyongyang officials coming will be Yi Song-tok, a division chief of the Administration Council Secretariat and Kim Chong-yol, a researcher at the External Economic Cooperation Commission.

The Seoul workshop is set to be attended by three delegates each from South and North Korea, China, Russia and Mongolia, plus UNDP officials.

Woman Claims Brother Shot in North as Spy

SK0111042193 Seoul YONHAP in English 0312 GMT 1 Nov 93

[Text] Tokyo, Nov. 1 (YONHAP)—A man who returned to North Korea in the 1960s under an arrangement of the pro-Pyongyang Organization of Korean Residents in Japan (Chochongnyon) was summarily executed as a spy, his sister has claimed. In an article in the latest edition of the weekly SAPHIO, Mrs. Pak Chun-sun, 56, said that her brother, Pak An-pok, returned to North Korea in 1963 and was living in Pyongyang. He was arrested in 1980, for no apparent reason, and executed by firing squad without a trial, she said.

Mrs. Pak said she received the information about his arrest from her sister, who lives in Tanchon, South Hamgyong Province. She said her sister suggested that she check with Chochongnyon. Mrs. Pak paid a short visit to North Korea in 1987 to find out the whereabouts of her brother, but all she was told then was that he was out of the city on business.

Realizing that only money could solve the problem, Mrs. Pak said, she contributed 20 million yen (about 150 million won) to Chochongnyon and asked it to help learn the fate of her brother.

In 1990, Mrs. Pak said she received information from Chochongnyon that her brother "was executed by a firing squad on Aug. 21, 1985, on suspicion of being a spy."

Mrs. Pak said that when she first visited North Korea, her brother was working for the Japanese-language service of Radio Pyongyang. But he secretly confided to her that he should not have returned to North Korea.

"North Korea is a very difficult country," she quoted her brother as saying. "I regret that I have come back."

Pak An-pok had been a member of Chochongnyon's artists group, which is currently known as the "Kumgangsan Troupe," before he was repatriated to North Korea. Pak had also received ideological training from a Chochongnyon executive. Pak was a loyal follower of North Korean leader Kim Il-song, but his sister insists that he was repatriated to North Korea against his will.

In the article, Mrs. Pak said that North Korea was not a "paradise," as Chochongnyon makes it out to be, but a "hell." She said she had decided to tell her story because people have to know the truth about North Korea.

Seminar With Japan on Nuclear Industry Opens

SK0311033293 Seoul THE KOREA TIMES in English 3 Nov 93 p 3

[By staff reporter Sin Hak-nim]

[Text] One of the most serious problems facing the nuclear industry in South Korea as well as in other countries is how to treat and store safely radioactive wastes and nuclear spent fuels generated from its nine nuclear reactors.

In spite of the government's desperate efforts and promises for various community programs, it has so far failed to designate a site for repositories for nuclear wastes and spent fuel in the face of strong opposition from community residents.

The Japanese experience can give a good lesson to South Korea as Japan is regarded as one of the most successful countries in the peaceful use of atomic energy and in safe management of radioactive wastes and spent nuclear fuels.

It has a low-level radioactive waste disposal center and uranium enrichment plant as well as nuclear reprocessing and returned waste temporary storage facility in Rokkasho-mura, Aomori Prefecture.

A two-day seminar on the nuclear industry organized jointly by the Korea Atomic Industrial Forum Inc. and the Japan Atomic Industrial Forum Inc. opened yesterday at the Korea Electric Power Corporation (KEPCO) headquarters in southern Seoul.

Dozens of nuclear engineers an experts from government agencies and private enterprises in both countries reviewed a wide range of issues related to nuclear industry ranging from a long-term nuclear policy to effective and high level management of nuclear power plants based on information management system and a scheme for radiation exposure reduction in nuclear power plants.

Visa Conditions Eased for Ethnic Koreans in PRC

SK0311034793 Seoul THE KOREA TIMES in English 3 Nov 93 p 2

[Text] Beijing (Yonhap)—The South Korean government has decided to ease the conditions for issuing visitor's visas to ethnic Koreans in China from the first quarter of next year, informed sources here said Monday. The Seoul government plans to grant ethnic Koreans permission to stay for one year, after properly checking their qualifications. In addition, it is also studying the possibility of arranging jobs for them, the sources said.

The decision was made in the wake of a rising chorus of discontent among ethnic Koreans over what they regard as "too strict and rigid" screening for visas for ethnic Koreans who want to visit their motherland, they said.

This discontent among ethnic Koreans could pose a problem for relations between South Korea and China, which are making rapid progress since they have established ties in August 1992, the sources said.

The Seoul government apparently has realized the need for a more open and flexible policy with regard to ethnic Koreans living in foreign countries, they added.

One source, who declined to be identified by name, said that if the South Korean government takes such a drastic step, it will not only wipe out problems related to illegal aliens working in the country but also help alleviate the labor shortage.

In the case of Japan, the Tokyo government currently allows ethnic Japanese in Central and South American countries to visit the country for one year and provides them with jobs during their stay.

"Therefore, if the South Korean government makes a similar decision, it will be in tune with its basic policy aimed at internationalizing the country," he said.

There are about 2 million ethnic Koreans in China, and a considerable number of them hope to visit South Korea in order to find jobs there. But because of strict screening by Seoul, only those with immediate relatives living in South Korea are allowed in, the sources said.

An estimated 30,000 to 60,000 illegals are said to be working in South Korea, doing the so-called difficult, dirty and dangerous jobs (3-D jobs) that South Koreans are avoiding.

Science, Technology Minister Leaves for Beijing

SK0311052093 Seoul THE KOREA HERALD in English 3 Nov 93 p 3

[Text] Science and Technology Minister Kim Si-chung leaves for Beijing today to attend the first meeting of the Korea-China Joint Committee on Science and Technology. The meeting, called to promote closer ties between both scientific communities, begins tomorrow and both countries will continue through Saturday in the Chinese capital.

Kim will urge the Chinese representatives to transfer to Korea advanced technologies predominantly in aerospace and lasers, as agreed by both sides earlier this year.

As part of a personnel exchange program, Korea and China would agree to dispatch 50 scientists each from both sides and exchange 20-member technology survey teams, according to the ministry spokesman. Minister Kim plans to attend a ceremony commemorating the opening of the Korea-China Science and Technology Cooperation Center's Beijing Office.

He will also visit Beijing University to celebrate the opening of the China-Korea Atmospheric Research Center, which will jointly monitor airborne dust and acid rain in East Asia with the Korea National University of Education.

Representatives would agree to help Korea's KTB Consulting Co. and China's Sinotechmart Co. establish a joint venture in Beijing within this year to facilitate technology transfer and further mutual cooperation.

PRC Sends Technology Sales List to Ministry

SK0311062093 Seoul THE KOREA HERALD in English 3 Nov 93 p 7

[Text] Industrial projects to combine China's technology with Korea's capital and production capabilities are in the making, officials at the Ministry of Trade, Industry and Energy said yesterday. The Chinese side has sent to the ministry a list of technologies which it wants to commercialize in an industrial alliance with Korea, they said.

The Korea Academy of Industrial Technology will examine the possibility of commercializing the technologies, according to the officials.

Korean businesses and research institutes are to take part in a Korean-Chinese technomart to be held in Beijing early next year, they said.

The technomart will be the third of its kind in two years after one between Korea and the United States held last month and the Korea-Japan one slated for year-end. Figures released by the ministry showed that about 28,000 technologies worth about 230 billion won were sold on the international market last year.

Police Find Group of Missing PRC Tourists

SK0311071193 Seoul YONHAP in English 0552 GMT 3 Nov 93

[Text] Seoul, Nov. 3 (YONHAP)—A group of 29 Chinese tourists who disappeared from their hotel shortly after arriving in Seoul on Sunday were all detained by the police on Wednesday and referred to the Immigration Office. According to the police, the 29 Chinese visitors from Guangxi Zhuang autonomous region, southern China, left the Seoul hotel on Sunday afternoon without letting their travel agent know where they were going.

Group tourists from socialist countries are obliged by the immigration law to follow the travel arramgements set by their agents.

The Chinese tourists arrived in Suwon, Kyonggi Province, south of Seoul, the same afternoon and checked in at the Yuljon Park Hotel. When they stayed in the hotel all day Monday and Tuesday, the hotel manager became suspicious of their conduct and notified the police. The police said they would deport the Chinese in consultation with the Immigration Office and the Korea Association of Travel Agents (KATA).

The group arrived on Saturday afternoon by Korean Air (KAL) and stayed overnight in the Seoul hotel. They had been scheduled to tour the Taejon Expo and other tourist spots under an arrangement made by a Korean travel agent, identified only by its initials. Police believe that they came to Korea to work illegally.

PRC Becomes Largest Market for Korean Cars

SK0311020093 Seoul YONHAP in English 0027 GMT 3 Nov 93

[Text] Seoul, Nov. 3 (YONHAP)—China has become the largest market for South Korean automobiles this year with exporters shipping cars worth a total of 459 million U.S. dollars in the first nine months, the Korean Foreign Trade Association said Wednesday.

The Chinese market has overtaken the United States, which had been the top importer of Korean cars until this year. Exports of cars to the United States in the same period totaled 436 million dollars, the association said. Car exports to China amounted to only 12 million dollars until last year, but rose more than 40 times this year because of a sharp rise in demand for cars in China, officials said.

On the other hand, exports to the United States dropped 0.5 percent in the first nine months from the same period a year earlier because of rising competitive strength of U.S. cars and a production suspension at Hyundai Motor Co.'s plant in Canada, the officials said.

Meanwhile, exports to Pakistan rose an incredible 335.5 percent in the first nine months from a year ago to 118 million dollars. Pakistan ranked fifth among buyers of Korean cars, they said. Exports to Turkey have risen an amazing 269.8 percent, making that nation the seventh largest buyer of Korean cars.

With regard to exports to China, officials said some 98.6 percent of the vehicles exported to that country were cars but were shipped mostly through Chinese smugglers. Because of that fact, Korean car exporters cannot expect any further increase in the shipments in the future, they said. A mere 30 percent of the total, or 12,838 worth 129 million dollars, were handled under formal commercial deals.

Norwegian Minister Warns Against Nuclear Dumping

SK0311031993 Seoul THE KOREA HERALD in English 3 Nov 93 p 2

[Text] Norwegian Foreign Minister Johan Jorgen Holst yesterday called for immediate international actions against nuclear waste dumping in international waters. In a news conference winding up his three-day visit here, Holst said the international community doesn't have to wait to take action until some damages are felt because it will then be "too late." Moreover, he said, the practice of dumping nuclear waste into the sea is of serious concern to everybody because nobody is sure whether the current situations are safe enough.

He said Norway, for geographical reasons, is also much concerned about Russia's recent dumping of nuclear waste in the East Sea [Sea of Japan] and therefore will closely cooperate with South Korea in tackling the problem.

Holst said the issue will also be intensively debated at the Nov. 8 meeting of the Group of Seven industrialized countries in London. Both Norway and South Korea have been invited by Japan to the meeting. The minister said the three countries, through the meeting, want to help the international community to focus attention on the issue of nuclear waste dumping on the high seas. He said most countries are concerned about the safety of nuclear reactors built by the former Soviet Union but still fail to pay enough attention to nuclear waste dumping.

Holst said he shares the concerns of Korean officials about the North Korean nuclear program. The North Korean nuclear issue is an important matter affecting global nuclear nonproliferation, which is the most important security issue in the world these days, he said.

Members of the Nuclear Nonproliferation Treaty (NPT) should abide by obligations under the treaty and cooperate with the International Atomic Energy Agency (IAEA) to prove that their civilian programs are not diverted for military purposes.

Holst stressed direct dialogue to induce the opening of North Korea, saying that the isolation of the country from the rest of the world increases uncertainty and unpredictability.

The Norwegian foreign minister said the success of the recent peace accord between the Palestine Liberation Organization (PLO) and Israel partly depends on whether the international community will provide enough financial assistance to the people in the area so that they also can get the "fruits."

Holst played a catalyst role in the recent conclusion of the agreement by mediating secret negotiations with both parties. He said the redevelopment plan of the area needs more financial contribution from all countries.

In addition, an effective coordinating system is also necessary to systematically carry out assistance programs, he said. The World Bank is now working to identify the needs of the people there and Korea and other countries may need to consult with the World Bank and U.N. development institutions in participating in some projects, he said.

Holst, the first Norwegian foreign minister ever in Seoul, left the country later in the day.

President Kim Meets Visiting Hungarian President

SK0311071293 Seoul YONHAP in English 0621 GMT 3 Nov 93

[Text] Seoul, Nov. 3 (YONHAP)—President Kim Yong-sam and Hungarian President Arpad Goncz discussed ways to expand economic cooperation between their nations and the situation around the Korean peninsula in an unofficial meeting at Chongwadae [presidential offices] on Wednesday afternoon [3 November].

Noting that the world is seeking a new international order amid post-cold war uncertainty, Kim said, "In the age of uncertainty like this, close cooperation between friendly nations is more important and valuable than ever.

"South Korea and Hungary, having elected democratic and legitimate governments, are pursuing not only freedom and welfare of their peoples but international peace and prosperity," he said.

Goncz will attend the Hungarian national day ceremony Thursday at the Taejon Expo and tour the Kongju National Museum and Tomb of King Muryong on Friday. He returns home on Saturday.

Hungary is to host an international exposition in 1996.

Swedish Minister on Trade Liberalization

SK0311091193 Seoul YONHAP in English 0833 GMT 3 Nov 93

[Text] Taejon, Nov. 3 (YONHAP)—Swedish International Economic Relations Minister Ulf Dinkelspiel said Wednesday that there must be no exceptions to liberalization of trade in all sectors, even including agriculture.

Dinkelspiel, visiting the Taejon Expo for Swedish national day, was questioned about agricultural market opening and said that he believed protectionism should disappear.

"I understand full well that there are those who ask for exceptions... We have groups in our country which are asking for exceptions as well," he said. "But I say that if we start giving exceptions in some fields, there will be many others that will feel themselves to be in the same position."

The Uruguay Round of the General Agreement on Tariffs and Trade (GATT) talks should be concluded in multilateral negotiations to get rid of protectionism by Dec. 15, he said.

He warned that failure would mean destruction of the world economy.

On the Expo, he said that Sweden participated in order to improve economic cooperation between South Korea and Sweden.

The Swedish economy had a difficult period for four to five years but is now recovering thanks to several measures taken by the government.

Swedish exports to South Korea increased more than 30 percent this year, he said, hoping that large businesses such as Volvo, Astra, Sandvik and Atlas Copco will become closer to Koreans.

He also hoped that Korea will invest more in Sweden as a base to advance into Poland, Russia, the Baltic countries as well as European Community member nations.

Denmark Plans To Export Dairy Processing Plant

SK0311071393 Seoul THE KOREA HERALD in English 3 Nov 93 p 7

[Text] Denmark has signed an agreement to export a $10-million dairy product processing plant to South Korea's National Livestock Cooperative Federation (NLCF), a top Danish agricultural official said yesterday.

Several NLCF officials will be trained to run the factory, Danish Minister of Agriculture B. E. Bjorn Westh told a news conference at a Seoul hotel.

During his five-day visit from Oct. 30 to Nov. 3, Westh said he discussed with his Korean counterpart Ho Sin-haeng ways of promoting bilateral cooperation between the two countries in the dairy industry.

At the meeting with Ho, Westh said he made a last-ditch plea for the settlement of GATT's Uruguay Round of multilateral free trade talks, calling on South Korea to open its domestic market to dairy imports.

"Denmark hopes that South Korea will step by step open its domestic dairy project market so that the multilateral free trade talks can be concluded," the Danish minister said.

If the Seoul government agrees to open its market to dairy products in the trade talks, Denmark will actively transfer technologies needed in producing high-quality dairy products to South Korea, he said.

ROK, France To Sign Environmental Agreement

SK0311033493 Seoul THE KOREA TIMES in English 3 Nov 93 p 3

[Text] South Korea and France will sign a memorandum of understanding on enhancing bilateral cooperation in the area of environmental protection, the Environment Ministry said yesterday. Ministry officials said the move is aimed at diversifying the exchange of environmental data and information from excessive concentration with countries like the United States and Japan. They explained that close cooperative relations with European countries will be critical in learning about the latest environmental protection technologies available.

The officials said the agreement is expected to be signed between South Korean Environment Minister Hwang San-song and her French counterpart Michel Barnier.

Canadian Provincial Premier Promotes Ties

SK0311041693 Seoul THE KOREA TIMES in English 3 Nov 93 p 8

[By staff reporter Pak Yun-pae]

[Text] Canada's Alberta province views Korean as a potential source of investment in energy, forestry and advanced technology and manufacturing sectors, its Premier Ralph Klein said Monday.

"Our energy expertise makes Alberta an excellent partner for joint energy development ventures in the former Soviet Union, China, Africa, Latin America and Southeast Asia," he said in a meeting with reporters at Seoul's Hilton Hotel.

"We also welcome more Korean investment in our processed food industry. Alberta offers food processors and investors a secure supply of ingredients and a safe production base from which to supply the huge North American market," he said.

The premier also said that Alberta will offer preferred access to the American market, adding that the province is part of the Canada-U.S. Free Trade Agreement. If approved, the North American Free Trade Agreement will give Alberta preferred access to a market of 360 million consumers, according to him.

"When combining everything that Alberta is doing with Canada's low inflation rate, low interest rates and moderate labor costs in line with those of the United States, what you get is a tremendous competitive advantage," he said.

Alberta has developed expertise and technology in pollution control, computer software, biotechnology, processed foods and telecommunications.

"I've come to Seoul to lay the groundwork for a stronger connection between us, one that reflects the changes in our economies and in the world economy, that allows Korea to discover and benefit from the Alberta advantage," he said.

He arrived in Seoul Sunday on a four-day visit to promote a range of commercial ties with Korea in such areas as trade, investment, tourism, entrepreneur immigration and technology cooperation. He cut the ribbon yesterday to officially open the new Alberta office in the Canadian Embassy today. The Alberta province office in Seoul was first established in October, 1988.

Korea is Alberta's fifth largest export market with last year's exports accounting for $288.6 million. Alberta's primary exports to Korea include petrochemicals, coal, agricultural products and sulphur.

Korea bought $60 million worth of petrochemicals and chemicals, and $8 million in crude oil.

Premier Klein said Korea is a growing market for tourism in Alberta. His province conducts promotions including participation in the Korean Overseas Travel Fair Association and Experience Canada, according to him.

Mexico Starts Antidumping Probe on Steel Sales

SK0311062193 Seoul THE KOREA HERALD in English 3 Nov 93 p 7

[From the "Business News Briefs"]

[Text] Mexico launched an antidumping offensive against Korean-made hot-rolled sheets Oct. 27, the Korea Trade Promotion Corp. reported yesterday. The Central American country also began an antidumping probe into cold-rolled sheets imported from seven countries, including South Korea and the United States Oct. 28, it said.

Korea's exports of hot-rolled sheets to Mexico tumbled 54.4 percent to $1.33 million in the first nine months of this year from a year earlier, the corporation said. However, Korea's overseas shipments of cold-rolled sheets to Mexico soared 30.9 percent to $15.97 million in the cited period from the year before, it said.

Rice Purchase To Begin With 1993 Prices

SK0311061893 Seoul THE KOREA HERALD in English 3 Nov 93 p 7

[Text] The government will begin its purchase of rice Friday at last year's buying prices as officials have yet to come up with a proposal for this year's purchase program, it was announced yesterday. The Ministry of Agriculture, Forestry and Fisheries said any difference between the "temporary" buying prices and the ultimate prices to be determined by the National Assembly will be paid to farmers later.

Ministry officials said they plan to send a government proposal for this year'ss rice purchase program to the national legislature in the middle of the month.

Government-proposed prices and quantities of rice are usually increased during the legislative deliberation. Government purchase prices last year were 126,360 won per 80kg of first-class rice and 120,670 won for second-class rice.

Shipbuilding Orders Worth $8 Billion 'Expected'

SK0311080993 Seoul YONHAP in English 0749 GMT 3 Nov 93

[Text] Seoul, Nov. 3 (YONHAP)—South Korea, riding a boom on the strong yen, is likely to get orders for about 180 ships of 10 million tons worth 8 billion U.S. dollars this year, emerging as the world's largest shipbuilding country.

Orders received in the first nine months of the year exceeded 8 million tons and in October alone Korean shipyards received orders for five ships totaling 317,800 tons, industry sources said Wednesday.

This brings the total for the 10 months to 162 ships of 8.74 million tons, more than five times the 1.65 million tons recorded for the whole of last year and more than double the 4.21 million tons that Japan recorded for the first nine months of this year.

The giant Hyundai, Daewoo and Samsung shipyards have already received enough orders to keep them busy for the next two years, and are expected to receive orders for some 20 ships in November and December.

Hyundai Heavy Industries Co. has received orders for 43 ships totaling 2.44 million tons and is likely to receive additional orders for seven ships by year-end.

Daewoo Shipbuilding and Heavy Machinery, Ltd. has the fattest order book with 52 ships totaling 3.95 million tons and is expected to receive orders for five ships in the final two months.

Samsung Heavy Industries Co. has recorded orders for 32 ships of 1.98 million tons and anticipates orders for five more ships totaling 300,000 tons by year-end.

The sources said considering the negotiations under way now, receiving orders for 10 million tons this year would be fully possible.

Carmakers Expect Not To Reach Export Goal

SK0311054993 Seoul THE KOREA HERALD in English 3 Nov 93 p

[Text] Auto exports are projected to surpass 600,000 vehicles this year. That figure represents an increase of more than 30 percent over last year when the nation exported 456,000 vehicles. The Korean Automobile Manufacturers' Association, which projected auto exports at 520,000 vehicles at the outset of this year, has revised the figure to 620,000 vehicles. But Hyundai Motor Co., Kia Motors Corp. and Daewoo Corp., which have to take into account domestic sales as well, are not so sanguine about exports.

The automakers have received more orders, both from the domestic and foreign markets, than they can possibly fill.

The government is encouraging the automakers to divert more autos from the domestic market to the foreign markets to make up for an anticipated short-fall from this year's goal of $83.5 billion in exports. But the auto companies say that they cannot sacrifice the more lucrative domestic market to accommodate the government's request.

Kia, which has received orders for 184,000 vehicles from abroad this year, can export slightly more than 160,000, says Chong Pil-kyong, manager of export planning at Kia.

"Our export team is asking for more exports," Chong says. "But I don't think our company will sacrifice domestic sales much for more exports."

Kia, which shipped 103,000 vehicles abroad last year, had planned to export 150,000 at the outset of this year.

Its strategy of promoting kit exports for assembly by its foreign partners and the introduction of the new Sephia and Sportage models have helped draw massive orders from abroad, Chong says.

"As a means of avoiding export barriers against assembled cars, we launched a project of promoting the export of Pride subcompacts in kits for assembly in local markets several years ago," he says.

In addition to the marketing strategy, he says, the appreciation of the Japanese yen has helped Kia increase exports.

"Japanese automakers are abandoning the subcompact markets where their profit margins are slim," he says. "They are now concentrating on compact exports. Now we can move into the subcompact market without much competition from our Japanese rivals."

Though Daewoo also benefited from the yen's appreciation, they are saying they cannot meet the target of exporting 150,000 vehicles this year.

Daewoo, which also puts domestic sales before exports, says it has revised this year's export goals down to 110,000 vehicles. But the figure represents an increase of more than 100 percent over last year.

Daewoo's exports have grown sharply as a result of diversifying its markets and establishing its own dealership networks in many of the markets, says Chong Suk-chong, general manager for auto exports at Daewoo.

The lion's share of Korean auto exports will be taken up by Hyundai, which will be able to export a little more than 340,000 vehicles by year-end.

The introduction of the revamped Sonata model as well as the yen's appreciation has helped Hyundai promote exports, says Kim Chong-hyok, Hyundai general manager for export marketing and planning.

The development of a new van, minibus and truck models will also boost exports by Hyundai, Kim says.

In the past, Hyundai has been barred from exporting old models produced under the license from Mitsubishi of Japan, he added.

Hyundai, Kia and Daewoo exported 474,500 vehicles in the first 10 months of this year, the Korea Automobile Manufacturers' Association reports.

Last month witnessed the largest monthly auto exports. The three automakers exported 62,100 vehicles last month. It compared with 124,600 vehicles in domestic sales.

Burma

Foreign Minister Returns From UN Meeting

BK0211143793 Rangoon Radio Burma in Burmese 1330 GMT 2 Nov 93

[Text] Foreign Affairs Minister U Ohn Gyaw, the leader of the Myanmar [Burmese] delegation attending the 48th UN General Assembly currently being held in New York, arrived back in Yangon [Rangoon] by air this afternoon.

The minister was welcomed back at Yangon Airport by Lieutenant General Chit Swe, minister of forestry affairs; Brigadier General Maung Maung, minister of livestock breeding and fisheries; U Nyunt Swe, deputy minister of foreign affairs; Mr. Takashi Tajima, ambassador of Japan; Mr. Jehan Raheem, resident representative of the UN Development Program; and responsible personnel from the Ministry of Foreign Affairs.

On his return from the UN General Assembly, Foreign Affairs Minister U Ohn Gyaw paid goodwill visits to Mexico and Cuba at the invitation of the respective foreign ministers. While in Cuba, he met with President Fidel Castro.

Minister U Ohn Gyaw also visited Tokyo, Japan, on his return journey and met with Japanese Foreign Minister Mr. Tsutomu Hata, parliament member Mr. (Naochita), and former Deputy Prime Minister and Foreign Minister Mr. Mitsuo Watanabe. Furthermore, the Myanmar foreign minister attended a luncheon hosted by Deputy Foreign Minister Mr. Kunihiko Saito and a dinner hosted by parliament member Mr. (Nagano).

Health Minister Returns From Mexico 29 Oct

BK0211152993 Rangoon Radio Burma in Burmese 1330 GMT 1 Nov 93

[Text] A Myanmar [Burmese] delegation led by Health Minister Vice Admiral Than Nyunt, at the invitation of Mexican Health Minister Dr. Jesus Kumate Rodriguez, attended the National Health Week and ministerial conference held in Mexico City on 18-22 October. Afterward, the minister and delegation visited the University of California and the University of Southern California in Los Angeles, and held talks with responsible personnel on the training of health sector personnel and teachers.

Vice Adm. Than Nyunt and his party next visited Tokyo, where cordial and frank views were exchanged with the Navy commander in chief of the Japan Maritime Defense Agency on 28 October. After an exchange of gifts, the Myanmar Navy commander in chief signed the visitor's register. Later, the delegation called on Diet Member Ozawa and held talks on bilateral cooperation matters.

That afternoon, the Myanmar minister and delegation called on the Japanese health minister and held cordial and frank talks on health cooperation matters.

The delegation returned to Myanmar by air on 29 October.

Two ABSDF Insurgents Surrender in South

BK0211144393 Rangoon Radio Burma in Burmese 1330 GMT 2 Nov 93

[Text] Members of terrorist insurgent organizations who have come to realize their wrongdoings have been giving up their armed struggle and continuously surrendering with their arms and ammunition at various military camps. On 18 October, Privates Than Sein, age 26 years; and Thein Tun, age 19 years, from the All Burma Students' Democratic Front terrorist insurgent organization surrendered together with two AK-47 assault rifles, two magazines, and 75 rounds of ammunition at the Mergui Naval Headquarters.

Pro-Democracy Leader Tin Maung Win Interviewed

BK3110113593 London BBC in Burmese to Burma 1345 GMT 30 Oct 93

[Interview with U Tin Maung Win, chairman of the International Center of the Committee for the Restoration of Democracy in Burma, by station correspondent in London; date not given—live or recorded]

[Text] [Correspondent] Dear Listeners, you already know from previous interviews that General Saw Bo Mya, chairman of the Democratic Alliance of Burma [DAB], and his entourage are on a short visit to London. U Tin Maung Win, chairman of the International Center of the Committee for the Restoration of Democracy in Burma, is also accompanying Gen. Saw Bo Mya. He said the following when asked about the aims of their visit to London:

[Win] Accompanied by the general, the purpose of our visit is to present the real situation in Burma to the respective authorities and the members of Parliament here.

[Correspondent] Who have you met in London so far?

[Win] Some of the responsible personnel from the British Foreign Office were among those we met, but they did not say anything about what we presented to them. They listened to what we told them and it seems they are interested in the matter.

[Correspondent] What is your view of ASEAN's constructive engagement policy in dealing with the State Law and Order Restoration Council [SLORC]?

[Win] ASEAN has been practicing this constructive engagement policy for quite some time. ASEAN members often use this policy. The world community as well as some ASEAN members also know this policy is not working, although ASEAN continues to employ this policy. I think ASEAN is using this policy because it may have its own strategies and tactics. Our DAB and the alliances believe that ASEAN is practicing this policy with SLORC for its own economic benefit.

[Correspondent] How can ASEAN's continued constructive engagement with SLORC affect the DAB?

[Win] It can affect not only the DAB but the democratic movement as a whole. I am saying this because the constructive engagement of democratic nations like the ASEAN members in dealing with the SLORC, a brutal dictatorial military government that completely violates our human rights, is like casting pearls before swine. They know it is not going to work. And we do not understand why ASEAN does not use a similar constructive engagement policy with our democratic forces, while practicing it with the SLORC, an extremely brutal government. In our view, the countries can continue to practice constructive engagement in accordance with their policies, but I am very concerned that it might have negative effects on our democratic forces.

[Correspondent] The UN General Assembly is now in session. Therefore, what kind of action do you think the SLORC will be taking on this matter at the UN General Assembly?

[Win] Not long ago, to continue their dictatorship the SLORC sent personnel to the General Assembly to show that Burma is doing fine economically, that the National Convention is being held, and a new constitution is being drafted in Burma. The SLORC will continue to try to maintain its seat in the UN by presenting these cosmetic changes.

I have learned that some European and Third World countries as well as the U.S. Government are trying to pass a resolution to impose economic sanctions and an arms embargo on SLORC. I have also learned that Chairman Gen. Mya has sent a team of lobbyists led by Dr. Sein Win, prime minister of the National Coalition Government of the Union of Burma, to the UN and that Dr. Sein Win and other lobbyists are working very hard on this matter.

Student Group Rejects Kachin Pact With SLORC

BK0311023593 Bangkok BANGKOK POST in English 3 Nov 93 p 6

[Text] The All Burma Students Democratic Front (ABSDF) has rejected the Kachin Independent Organisation's [KIO] ceasefire pact with the military junta in Rangoon ABSDF Chairman Naing Aung said the pact would not lead to true peace in Burma and maintained that all Burmese groups should participate In any negotiation with the ruling State Law and Order Restoration Council (SLORC). An estimated 1,000 ABSDF members have been fighting alongside the KIO, whose pact with SLORC was broadcast over Burmese radio in early October.

Naing Aung, speaking at the fifth anniversary celebration of the ABSDF on Monday, expressed confidence that these students would continue the fight against Rangoon.

The KIO earlier had pledged to allow the students under their umbrella to choose their own path, Naing Aung noted. The students with the KIO amount to a third of the 3,000-strong membership of the ABSDF. The KIO, which has some 10,000 men under arms was believed to be the second largest anti-Rangoon group after the Karen National Union (KNU)

Naing Aung spoke at a gathering supported and attended by the Democratic Alliance of Burma, (DAB) and the National Democratic Front (NDF). Both rebel organisations have suspended membership of the KIO for what they denounced as a unilateral pact with SLORC. The ABSDF anniversary celebration took place at the Daughwin Camp, opposite Mae Sariang District in Chiang Rai.

Naing Aung stressed that the ABSDF was not the only student group that had battled the SLORC since the coup in 1988. He maintained that the ABSDF engaged in armed activities only in Burma and has never supported any such action from Thai territory.

The ABSDF was set up on November 1 1988 with a nucleus of students from the New Mon State Party based opposite Kanchanaburi Province. The ABSDF later moved to areas under KNU control.

Cambodia

Political Platform of New Royal Government

BK0111063993 Phnom Penh National Voice of Cambodia Radio Network in Cambodian 0430 GMT 29 Oct 93

[Royal Government's political platform presented by First Prime Minister Prince Kromluong Norodom Ranariddh to the National Assembly during its 29 October session—recorded]

[Text] My respects to His Excellency [H.E.] Chairman, H.E. First Vice Chairman, and H.E. Second Vice Chairman of the National Assembly; my respects to the eminent members of the National Assembly; my salutations to all esteemed and beloved guests of honor and compatriots:

On the solemn occasion of this plenary session of the National Assembly, it is with great pride and honor that I present to you the political platform of the Royal Government of Cambodia [RGC] for your approval and endorsement so that it can become the fundamental policy for implementation in the service of our Cambodian people and nation.

I. The Overall Political Situation and the Monarchy:

Over many years Cambodia has endured woes and sufferings, losing all sense of national dignity, experiencing nothing but shame, and finding itself at the lowest level of degradation as its people suffered untold miseries.

Nevertheless, one propitious and historic event after another has been observed since September 1993 when detailed consultations were held to prepare a new constitution and secret votes were conducted in line with all multiparty liberal democratic principles to display overwhelming support for the constitution, the supreme law of the country. The fundamental roots of this supreme law came from the pure will of the Cambodian people and it is the Cambodian people alone who have become the source of state power.

Cambodia's monarchy is one of the world's oldest monarchic systems. The monarchy is the principal foundation on which Cambodia's society was formed. The Cambodian people's national identity has evolved around the monarchy. Cambodia's monarchy is strong and sturdy because it enjoys the resolute support of the people and responds to their earnest desire. Cambodia's monarchy momentarily experienced a heart-rending historical period. In the end, however, it has soared high once more. Thanks to the grace of His Majesty Norodom Sihanouk, king of the Kingdom of Cambodia, the glorious history of Cambodia has once again begun to turn new pages in its golden chapters.

Without the eminent leadership of His Majesty Norodom Sihanouk as the father of the nation and father of national independence, there certainly could not have been this present, very fortunate, and auspicious time, a time which follows the very ominous incident of 18 March 1970 that plunged Cambodia into a most painful and lamentable dark age.

It came about thanks to the virtues of the King, whom his subjects have loftily extolled as the royal father of the nation, the great champion of national independence, because he has always fought for and protected the sovereignty of the Kingdom of Cambodia as well as its territorial integrity, peace, and national unity. He is a great, heroic king, endowed with the ability and wisdom to single-handedly resolve fundamental problems vital to the nation's survival. He symbolizes national solidarity and the great family of our Cambodian nation. [applause]

Buddhism, the state religion, is an important vehicle binding the Cambodian national community. It has taken deep roots in the heart of every Cambodian. This Buddhist religion constitutes a strong buttress for the throne and the king. In the past, because we departed from the essence of the motto "Country, religion, and king," Cambodia encountered and experienced nothing but incomparable pain, hardship, misery, tragedy, and poverty.

Now, since the samdech head of state applied his signature to promulgate the new Constitution and since His Majesty Norodom Sihanouk ascended the throne to become the Kingdom of Cambodia's king, Cambodia has regained its status as a unified country with the king as the only head of state, with a single government in the form of the RGC, with a single administration placed under the control of the RGC, and with a single armed force—the Khmer Royal Armed Forces [KRAF]; any force or institution besides this is considered an outlaw and illegal force or institution. The territory of the Kingdom of Cambodia is one and indivisible. No one may slice off any portion of the Cambodian territory. [applause]

In the face of a situation in which some stubborn persons continue to illegally occupy a small portion of territory and to conduct military activities detrimental to the lives and property of the people, to public property, and to the natural resources of the country, the RGC deems it its responsibility to respond sternly to end these activities and ensure security for the citizens. [applause] At the same time, the RGC will continue activities to suppress acts of homicide, theft, and robbery committed by armed criminals to enable the citizens to live, perform their work for their living, and enhance their economic assets and the country's in peace. [applause]

II. Arrangement for State Reorganization:

This must be executed significantly through the reorganization of state structures. As a concrete example, our immense political and financial structures can function only when we have detailed and correct projects [words indistinct] not just technical measures alone, but the state's financial organizations that rely on [words indistinct] also need to be reorganized.

To clearly illustrate this case, we can say that, thanks to aid to peasants through appropriate measures and possibilities, the benefits gained will not only help to improve their living conditions, but will also bring about social justice and a better exploitation of the natural resources that can benefit the entire national community.

Likewise, the correct remuneration of wages and salaries to civil servants can give them a better living standard and can also help promote the struggle against corruption. It can also increase the efficiency of the administration in the interest of our national community. The result of a policy of rebuilding the armed forces by providing their members with possibilities and means to carry out their mission will not be limited to just reducing the state of lawlessness but will also enable us to progress toward a stage of happiness and contentment, that is, to restore our pride in serving the nation. [applause]

The examples noted above show us how much power the state should have, how to organize the state correctly in accordance with the law, how to respect this law, how to ensure state security, and how the state should ensure security for its citizens.

Fundamental Principles Governing the Activities of the RGC:

The activities of the RGC are prescribed in accordance with the following objectives to build a developed state that will carry on all the tasks initiated by the Provisional National Government. In order to achieve this goal, the RGC has plans to simultaneously realize three major domains, namely, the political, economic, and social domains:

A. Political Domain: The internal policy is focused on the realization of national unity, that is, national reunification and reconciliation among Cambodians of all political tendencies; the execution of international policy; and the human rights issue.

Concerning national reunification and reconciliation for the sake of national unity, the security of the citizens, and a definitive end to the bloodshed among Cambodians—which is an excuse for foreign countries to intervene and interfere—the RGC will adhere to the lofty and wise royal advice and idea of His Majesty Norodom Sihanouk, our venerated king, who has graciously given us the following effective pointers:

1. Imperatively eliminate all social injustices, corrupt practices, and fraud, which are the main causes of social ills. [applause]

2. Actively and progressively enhance economic development both in the cities and the countryside, which is the only formula that can bring social progress and well-being to the people. [applause]

3. Refrain from using force of arms to settle problems. The continual use of force of arms to draw blood from one another in settling problems will not only fail to give the people stability, security, and happiness, but will also open the door to foreign interference and intervention in Cambodian affairs. [applause]

Strictly adhering to and implementing the lofty and enlightened royal idea of His Majesty King Norodom Sihanouk, the RGC has the following plans and measures for concrete implementation:

1. It is prepared to hold a dialogue with the leaders of the Khmer Rouge group in a bid to speedily settle and end the problem in a peaceful way.

2. It will warmly welcome any members of the Khmer Rouge group who highly appreciate reconciliation within the frame of the national concord and who volunteer to return to the national community. The RGC will accord them the same status and privileges enjoyed by all citizens without discrimination or classification and regardless of political tendencies and past records. Any brothers who wish to continue to serve the nation in the field of national defense will be welcomed to join the KRAF and will be honored with the same ranks as they used to have under the Khmer Rouge.

3. The RGC will welcome representatives of the Khmer Rouge group as government advisers if the Khmer Rouge have fulfilled the following conditions:

—They must officially recognize and respect the national Constitution and all national institutions, especially the RGC, which is the sole legal and legitimate government born purely out of the will of the Cambodian people through their representatives in the National Assembly instituted and recognized by venerated His Majesty King Norodom Sihanouk;

—They must end all hostile activities, both political and military, which are aimed at undermining national solidarity, harming the lives of innocent people, and destroying national property; and

—They must officially and unconditionally surrender all armed forces and zones under their control to the RGC.

Concerning foreign policy, the RGC has the great desire to secure an international guarantee for Cambodia's sovereignty, independence, territorial integrity and inviolability, neutrality, and national unity as clearly stipulated in Chapter 3 of the Paris accord, signed on 23 October 1991. The RGC has already, solemnly pledged at the 48th UN General Assembly Session on 4 October 1993 that it would uphold the stipulation of provisions concerning Cambodia [words indistinct] vigorously as in Articles 1 and 3.

The RGC demands that all signatory parties to the 23 October 1991 Paris Accord strictly abide by Articles 2, 4, and 5 of this Chapter 3.

All treaties or agreements already signed with foreign countries that harm and infringe on the independence, sovereignty, and territorial integrity of Cambodia must be declared null. [applause] In particular, any treaties or agreements that affect and concern the issue of the independence, sovereignty, and territorial integrity of the Kingdom of Cambodia will be abrogated. [applause]

At the same time, with the intention of preserving stability, friendship, and good cooperation, the RGC is prepared to settle border disputes with its neighbors on the basis of Article 2 of the Kingdom of Cambodia's Constitution. [applause] The RGC will solve the problem of illegal immigrants by first requesting that our National Assembly pass a specific and detailed immigration law. [applause]

If it secures the support and confidence of the National Assembly, the RGC will make an earnest appeal to all states that are outside the Paris peace accord to respect the law, like all signatory parties, as a firm support for the Cambodian people and for Cambodia. This is not just for the Cambodian people, who have suffered so much, but it is also for the sake of preserving the fragile peace and even more vigorously strengthening it. This, too, is not just for Cambodia alone but is also for the stability and peace of all countries in Southeast Asia.

[applause] Only peace can guarantee all the processes necessary for the reconstruction of the Kingdom of Cambodia.

The Kingdom of Cambodia has a great need for all its people, for all its subjects to unite as one and rally around His Majesty Norodom Sihanouk, the King Father of the nation and great monarch, in the interest of independence, peace, national unity, and prosperity. [applause]

Unification and national solidarity do not mean that everything has to be agreed upon in unanimity and unity. Our Constitution permits and allows for the expression of views and ideas through an oppositionist system. The RGC strongly encourages questioning in the National Assembly and free expression of views within our constitutional and legal frameworks.

Achieving national unification and reconciliation also has come about through the reorganization of the Cambodian National Armed Forces. In discharging the duty of ensuring internal and external security for the Kingdom of Cambodia, these National Armed Forces must resolutely and entirely serve the nation. We must sustain an army which is the builder of the country to achieve the objectives that we already set during the Sangkum Reas Niyum era and that we resolutely want to apply in the area of our territorial integrity, that should not on any account be divided or lost. [applause]

It is fruitless if national reconciliation is merely discussed, with no consideration given to the reestablishment of laws, rights, and justice, which are means to establish value and which are tenable. The 1993 Constitution implementation has revived the institutions existing before 1970 and has allowed for the establishment of draft laws and institutions in agreement with the present epoch. The RGC requests that the honorable National Assembly helps, with all-out efforts and to the best of its ability, by serving the people that it represents in order to decisively tackle, with a constructive spirit, all the clearly revealed problems.

Before ending this chapter, the RGC wishes to pay special attention to the respect for and efficient implementation of the issue of human rights, which is unequivocally guaranteed by our Constitution and that our people should not ignore, come what may.

B. Economic domain: Selection, which is an important basis for the RGC on economic issues, is to be emphasized. The government absolutely adheres to liberalism based on free enterprise in a free-market economy. Economic freedom is inseparable from freedom guaranteed by the Constitution for our people.

Management of economic spearhead: The present goal of the RGC in the economic spearhead management is economic stabilization as well as economic restoration and social rehabilitation. In fact, before the end of 1993 and during 1994, the RGC will continue to manage and control inflation and will establish a firm base for economic expansion. In this context:

1. In 1994, the RGC will strive to raise the growth rate of local production above that of 1993, when it was only about 5.5 percent. The government firmly believes that in 1994, the rate will be better because the political environment will be stable and work to restore some major infrastructures has already begun.

2. The RGC will reduce inflation to its lowest level in 1994. In the third quarter of 1993 prices of essential goods for daily consumption and gasoline fell by 10 percent. Also in this context, the government plans to stabilize the value of the riel, and it will strive to align the exchange rates between the riel and foreign currencies in the market with the official rates. [applause]

3. By the end of 1993 the increase in foreign currencies in reserve in the bank will be $9 million on top of reserves of $25 million as of June 1993. In 1994 the reserves of foreign currency in the bank will further increase because our state has already normalized its ties with the International Monetary Fund and the World Bank.

4. The RGC will continue the privatization policy and [words indistinct] all kinds of favorable conditions for further promoting the private economy and improving the investment climate. (?If) the economic stabilization target were successful, [words indistinct] macroeconomy would allow the RGC to create further conditions for economic development.

Economic stabilization means reducing inflation. However, the stabilization of the value of the riel can only be successful if it is permitted by a climate of security. Therefore, providing permanent security and producing economic stabilization are interrelated activities. The RGC considers the two activities as having priority over other matters.

As for the rehabilitation and promotion of human resources, they are both a goal and a practical means because they serve to improve the people's welfare. Somehow, to achieve this goal, on the one hand, the RGC should solve the problem of food supply, improve health, promote education to enrich knowledge and [word indistinct] of every citizen—especially youths—and resolve the problem of unemployment. On the other hand, the RGC should educate the people on how to change their negative (?attitude), which is a leftover of the most tragic era, to a positive one, since they are citizens of a society where (?market mechanism) is of a constructive character. Each citizen, an owner of the country, should adopt the attitude of a sovereign master and should also be responsible to the nation and society by taking part in implementing the RGC's program of action so as to promote his own well being and the economy of the country and nation.

Concretely, the rehabilitation and development of human resources at present have contributed to enabling the state to gradually achieve successes in managing the macroeconomy, for which economic stabilization is the core work to be carried out before the end of 1993 and in 1994. For this reason, the scope and creation of knowledge and know-how and the change of attitude are being undertaken in the financial and banking sectors to streamline the structures of institutions, taxation, and customs and excise. Also, efforts are being made to change the structure of the [word indistinct], budgetary, and treasury systems as well as the roles of banks. The RGC will introduce a joint program in order to effect the reform of the administrative structure at the beginning of 1994.

The results of tax collection in the third quarter of 1993 constitute an encouragement for our people and the private sector because they have stabilized the value of the riel and prices. Moreover, the clamp-down on inflation has brought about stability for the macroeconomic environment, which constitutes a decisive factor for private investment. To determine the balance of revenues and expenses, the RGC has at all times paid attention to the balance of economic effectiveness and social justice.

Also, concerning the rehabilitation and development of human resources, after restoring stability to the society by incorporating the armed forces and the existing administrations, the RGC has taken a number of measures to improve the efficiency of the institutions and systems to preserve security of the people. The results achieved in the past are the foundation for the RGC to continue the task. The RGC will introduce a program to reform administrative institutions at the present time and in the next two years. This is because Cambodia, with a population of about nine million, can never feed an administrative and (?military) machine with 300,000 men. This rate is notably higher than that for other countries. The reform of this institution is aimed at changing the structures and improving the quality of other related institutions. The RGC is duty-bound to administratively neutralize the armed forces and take measures to streamline them in order to make this administration work effectively and in accordance with the concrete need of the process of the administrative system.

This structural reform program will proceed along with the program of terminating and changing occupations and providing knowledge and know-how to enable interested persons to voluntarily return to and live harmoniously in the national community along with the development of the private sector, which will absorb this work force. In this context, salaries for civil servants will be paid in accordance with their capacities and in response to their appropriate and honorable living with a view to stamping out corruption and ensuring work efficiency.

As for the reestablishment of the armed forces, the aim is to provide the forces with the possibilities and means to carry out their duties. As a result, what the national community will receive is law and order and sacrifices made with pride in the service of the nation.

As the private sector is still deficient in the internal, structural, and interenterprise organizations, the RGC will take part in strengthening this sector, enabling it to have a full role in the free-market mechanism. With this task, the state will play its role as (?a strategist) in the development work. In this capacity, the state considers itself as a supporter and a dialogue partner of the private sector, thereby allowing the sector to participate in making major decisions on economic development work. This is the direct implementation of democracy by the RGC. With this viewpoint, the RGC has seen that the state has another increasingly active role on top of its three traditional roles as monarch, arbitrator, and owner and builder of social institutions.

Regarding state enterprises, the RGC will continue to change their structures by paying serious attention to the value of movable and immovable property. The RGC will continue the policy of privatizing those enterprises so as to pool capital for public investment and promoting their efficiency. For the state enterprises to be run by the state, they should transform themselves and believe in their status of industrial and commercial enterprises responsible for their own benefits or losses.

All guidelines will be rectified or established to achieve the four fundamental development activities, thereby further economically and financially guaranteeing private and public ownership, individual rights and freedom, and the market mechanism, including especially customs laws, tax laws, and trade laws. A chamber of commerce will also be created.

According to the national traditional laws as well as international laws worldwide, the RGC will present a proposal requesting the National Assembly to adopt a law prohibiting all foreigners from controlling or owning public property. [applause] The National Assembly will also be asked to be vigilant in upholding public property, which is considered untouchable and sacred. The RGC will actively continue its work of investigating and recording public property and will enforce laws to recover for the country and nation all public property that has been lost in an unlawful manner. [applause] All contracts on the sale of real estate or public lands to foreigners between 3 March and 10 June 1993 executed without the consent of the Supreme National Council or the Provisional National Government of Cambodia will be considered null and void. [applause] That real estate and those public lands will be expropriated by the state without any conditions or compensation. [applause]

Restoration and construction of sectors in support of economic development activities: The restoration and construction are aimed at developing the economy, agriculture, industry, and handicrafts, and especially the restoral and construction of the infrastructure. At present, the RGC is continuing to restore production capacities of electricity, water plants, and irrigation systems. It will also continue to restore the infrastructure in the transportation and communications sectors so as to foster the growth of agricultural produce and manufactured products that will strengthen the tourist industry, reduce the prices of goods and services, and provide possibilities for stimulating investment.

Within this program of action, the RGC will particularly continue to clear mines so as to ensure security for the people and expand the dimensions of farmland, thereby encouraging investment in the agricultural and industrial sectors. It will also take part in the work of changing institutional structures, (?promoting equality), and preventing the exodus of people to cities. This program—which can only be achieved with foreign aid—like the other three fundamental programs, will fit in with the program put forward by a ministerial conference on the reconstruction of Cambodia to be held in Tokyo in March 1994.

(?Equalization) of the Cambodian economy with the world economic system: In the universalized world economy, Cambodia's economy can only be developed if it is included within the framework of the world economy. The RGC decides to endorse and implement this viewpoint. However, the RGC will continue to steadfastly adhere to our Constitution's regulations on the defense of the independence, sovereignty, and natural resources of the country. In this context, the RGC will promote industries that produce goods to substitute for some imported merchandise. However, in principle it is politically important that Cambodia produces goods for export but advocates the import of technology. The RGC will, with fundamental tax laws, encourage investment. It will provide encouragement in the nontaxable sectors, such as immigration laws and corporeal infrastructures, and organizations in unison with the aim of facilitating the work of [words indistinct] and governmental investors. Along with this, there will also be guidelines to [word indistinct] land and private ownership, (?trade laws), [words indistinct] the production of exported goods, the RGC will rely heavily on the additional resources of our people's knowledge, know-how, intelligence, and skills at mastering technology and productivity. For this reason, the RGC regards the rehabilitation and human resources development activities as a major groundwork. While relying on natural resources, the RGC nevertheless gives priority to putting the use of natural resources under environmental management. The RGC does not seek immediate benefits or revenues without taking into consideration the losses that the society and nation will suffer in the distant future. The RGC has a vision and a long-term perspective for our Cambodian society and nation.

Also within the framework of (?equalizing) Cambodia's economy with the world economic system, the RGC plans to establish duty-free zones in Sihanoukville, where four kinds of activities, including a port, commercial services, industrial manufacturing, and an airport will be taken into account. The realization of this project will depend on the private sector in the country attracting investment from overseas. [applause]

Agriculture sector: Some 80 percent of the Cambodian people across the country are peasants making a living in agriculture. This being the case, agriculture is a priority sector, to which concentrated attention should be paid because it is an important area for social stability. Our defined objective is to enable the produce of the entire people to be sufficient, especially food. The development in the agricultural sector should be based on economic and technological measures.

Cultivation: Agrarian reforms should be implemented starting with the guarantee of ownership to peasants. And it is necessary to widely disseminate technological breakthroughs throughout the country; concentrate on scientific and technological training; make use of machines, irrigation systems, and fertilizers; bolster production of seeds of high quality and high yield; and prevent diseases from affecting crops so as to increase output. The RGC will establish training program, (?farms), laboratories, and model centers for agricultural development.

Agricultural production in our Cambodia depends on the water resources policy; therefore, the RGC has adopted measures to orientate the organization of study and research on the feasibilities of building or restoring dams, canals, ditches, and irrigation systems.

Animal husbandry: Family animal husbandry is an important task to generate a draft force in agricultural production. It is an occupation providing extra income for the rural people and a catalyst maintaining stability at markets. However, we should all the same study and research the feasibilities of industrializing animal husbandry. In order to foster animal health, it is necessary to pay attention to the constant vaccination of animals. Advice should be given to competent units with the view of safeguarding species of animals that are becoming scarce.

Fishery: Fishing for freshwater and sea fish, which is an active business in our country, should be reorganized with the aim of preserving the continuity of resources and ensuring the uninterrupted supply of provisions. In particular, the RGC has to adopt strict measures to stamp out [words indistinct]. Also, the RGC has to take measures [words indistinct]. [applause] [Words indistinct] life for our country's future. If the felling and destruction of the forest continue as at present, in the next five years Cambodia will confront crises and serious problems ensuing from natural catastrophes, mainly drought, floods, and soil infertility. In the past the provisional national government of Cambodia implemented some measures to ensure the safeguarding of the forests. However, in the immediate future, the royal government will implement strict and firm measures on felling trees and on the exporting of timber. It will set up rigorous and effective control carried out by officials who are honest and courageous and who will be encouraged by adequate salaries and rewards. [applause]

The royal government will ban tree felling from 1994 onward [applause], except with special permission and in special cases that have been scrutinized and studied in detail. The royal government will set up afforestation programs nationwide to maintain a stable atmosphere and the environment.

Apart from this, national parks will be set up. These are zones that absolutely cannot be encroached upon. Attention will be paid to preserving wildlife. Furthermore, the indiscriminate clearing of inundated forest around the Tonle Sap is a serious threat to the the life cycle of fish in the Tonle Sap River, which is an important source of food for the Cambodian people nationwide. Moreover, this will speed up the silting up of our Tonle Sap. The destruction of the forests is a serious disaster for our country in the future. Therefore, the royal government will implement measures to immediately plant trees in the inundated areas and will restore and protect the ecological system around the Tonle Sap. [applause]

Rubber: The royal government will strive to improve rubber management, eliminate anarchy, expand the cultivated areas, and pay attention to providing decent living conditions for rubber plantation workers.

Agricultural funds: The royal government will strive to contact international monetary institutions to assist poor peasants. Furthermore, cooperative networks, based on a voluntary participation, will be implemented to create funds for peasants. Trade will be facilitated. Education and training in modern techniques will be provided to increase production and work management. These cooperatives are an important factor in developing the community.

We cannot talk about agriculture without thinking of a serious problem: that of demining within the framework of the demining center in Cambodia. The international community and friendly countries have been providing a lot of financial and technical support to assist in this task. The RGC has made this issue a priority one, as I said in my address at the 48th UN General Assembly.

Industry and handicrafts have an important role to play in the development of Cambodia. The RGC aims to start producing utensils for daily use in order to improve the living conditions of the people and to increase the quality of national products. We need to set up markets and quickly build light industries to serve the people's immediate needs. Heavy industries could be set up; however, this needs the contribution of foreign investment, for example (?the production of) fertilizers, oil, and heavy construction and mechanical equipment, and so on. The establishment of small and medium industries is to be encouraged in order to meet the needs and possibilities of our country.

In the public sector, the RGC will retain the control of strategic or monopolized exploitation such as energy, minerals, railroad, posts and telecommunications, and so on. International cooperation and agreements with foreign companies may be sought based on respect for our sovereignty and interests.

Trade and investment: On foreign trade, the RGC from now on recognizes a free trade pattern with countries in the region and in other continents. The most urgent task is to establish in detail a legal framework on liberal investment that is mutually beneficial for the investors themselves and also for our nation's interests. The royal government will guarantee that all investors legally employ Cambodian employees and workers and provide professional training to the work force. [applause]

Encouragement should be given to investors by paying great attention to taxation concerning professions that use modern technology and production means and that do not leave (?excessive) toxic waste detrimental to the environment.

The RGC will strive to liberalize foreign trade. The establishment of tax-free zones could be done at Sihanoukville port. The RGC now launches this appeal to foreign investors to come and study the possibility of doing business in the Kingdom of Cambodia, in particular businesses involving intensive labor, exports, or for local consumption (?to counter) imports, or export of textile and electrical products and [words indistinct].

With the aim of attracting international contributions to assist [words indistinct] Cambodia, the royal government will actively start a campaign to provide and disseminate information. Seminars will be vigorously organized on investment prospects in Cambodia. The main objective of attracting people to visit our country is to transform visitors into investors. [applause]

Tourism: The Kingdom of Cambodia is most favorable to tourism. This is an important source and base for attracting foreign currency. It contributes to the provision of employment for the people. It is also a source for elevating and protecting the culture and the environment. The royal government is paying great attention to this sector by creating conditions and (?quality) aimed at making this an industry by providing (?hostelry) training. Efforts will be made to improve the environment and resorts.

To efficiently implement this policy of promoting the national economy, the major factor—a priority one—the royal government has to consider first is the provision of security nationwide. [applause]

Rural development work: The royal government has a state secretariat in charge of developing rural areas. We have to intensify activities or exchange (?experiences) with other (?departments), in particular with the people themselves or their representatives. The above development still cannot bring to the people sufficient well-being and security (?everywhere). The difference between cities and rural areas should be solved through the development of the countryside. The royal government considers the task of developing rural areas a strategic one in order to consolidate the rehabilitation and progress. The results of this work will increase the people's well-being and contribute to ensuring the security and unity of our society. Therefore, this task will contribute to improving the environment and will favor rehabilitation and progress in general.

In the framework of developing rural areas, the royal government will encourage interrelated agroindustrial investment to (?enable the people) to produce. For example sugar cane plantations, sugar refinery, [words indistinct], factories producing paper powder, coconut plantations, vegetable oil refineries, and so on, as well as other supporting economic activities such as the maintenance of mechanical equipment. [Words indistinct] rubber plantations and rubber factories that have to be restored with their structures completely overhauled.

The RGC plans to increase cultivated land along the Mekong River so that thousands of families of our people can farm it [words indistinct]. Along with this, attention will be paid to people's health, particularly to combating various contagious diseases, destroying mines and explosives, and [passage indistinct].

Our country is one with weak economic structures [words indistinct]. Our country is still not capable of gathering and saving funds to enable it to be autonomous in investment, particularly in public investment. Furthermore, our infrastructures have been ruined [words indistinct]. For this reason, we have to rely on foreign aid to carry out the task of rehabilitation and progress.

However, although our country is a receiver of aid, the royal government adheres to a firm stand, namely, that aid should be appropriate to the goal of national progress. In receiving this aid, our country should play the role of the one who is in charge. To implement aid programs or projects funded by foreigners, our country would like to be the one in charge. That is, unless the aid is related to training or improvement, the royal government is in charge of the work and in its implementation through cooperation with (?specialist) organizations of the United Nations, through bilateral or multisided arrangements, or with nongovernmental organizations.

The royal government will closely follow up the work to clearly determine whether the programs or projects will finally end up with an investment plan that has a clear confirmation of the financial activities or of those providing the investment funds. In this way the programs or technical aid projects will not end up with only reports and advice on paper. Moreover, the royal government's stance of being the one in charge will end clashes among those initiating the projects. This will ensure the efficiency and [words indistinct] in the use of aid.

The national committee for the rehabilitation and progress [words indistinct] will represent the government if the (?state) is the one in charge of the work [words indistinct] coordinate the reception of foreign aid, whether bilateral or multisided, international, or from nongovernmental organizations.

Although at this stage our rehabilitation and progress depends a lot on foreign investment, technical aid, and technology, our government will also strive to respect the donors' right in order to (?create) a basis for setting up investment fund sources [words indistinct] and not changing local administrative structures during (?implementation) in order to avoid falling into the trap of relying only on foreigners. Cambodia should help itself. This is our permanent slogan which should be transformed into reality. [applause]

III. Social and cultural sector: Because of the restoration of the monarchist regime, our Cambodian society and nation can be firmly rebuilt and this can lead to the recovery of what we have basically lost [words indistinct] the monarchist regime has opened the way to the rebirth of the Cambodian culture. We are duty bound to protect it, elevate it, and make it blossom as a world culture with a founding character. [applause]

In this case, we think that that it is in accordance with the struggle to oppose the bad influences which we have been under for 20 years. [applause] The priority of the RGC in the social and cultural sector is education. Our national education philosophy is entirely based on realist principles, freedom, and mutual respect. Through education of the citizens, the state can fight by using [words indistinct] against (?corruption) to serve public interest. Multifaceted education at all levels will lead to national reconciliation, faith in the future, and prosperity of the Kingdom of Cambodia.

All Cambodian citizens, male and female, enjoy the rights and freedom to receive education without discrimination regarding their ages, classes, colors, races, standards of living, religions, [words indistinct]. The RGC [words indistinct] children at the age of 6 to (?15) to receive education [passage indistinct] outlying countryside.

The RGC [passage indistinct]. The education staff should get appropriate benefits and a decent and sufficient salary in order to maintain the dignity and correctness commensurate with the task and responsibility of their important job. This is a precondition for getting the job fully carried out and for opposing and eliminating corruption. [applause] We should provide increased assistance for the training and improvement of the educational personnel to achieve efficiency. Our educational system requires reforms aimed at raising the quality of education to a level appropriate for the social and economic situation.

The royal government is promoting exchanges and international cooperation to send students and teachers abroad. This should be done independently without any connection with political issues. [applause]

The RGC recognizes two sets of public health networks, namely, state and private health care. The state pays attention to providing hygiene education and treatment for the people by setting up infirmaries and maternity centers in rural areas. Special attention will be paid to the well-being of mothers and children by striving to bring the child mortality rate down as low as possible and take preventive measures against various contagious diseases such as malaria, tuberculosis, dengue fever, diarrhea, and respiratory diseases. Measures will be taken to prevent the spread of venereal diseases, particularly AIDS. Efforts will be made to provide medicine to the people and organize the production of medicine in the country, particularly production that uses local raw materials. Imported medicine should be properly controlled.

The RGC wishes to vigorously promote family planning. We face neighboring countries that have seven to eight times more people. These countries are big and able to sustain a larger number of people than at present. This policy to increase the population can be carried out only when there are concrete measures relating to public health and the economic progress of our kingdom. Can we raise social issues without referring to Cambodian women, who form 65 percent of the population? Our Constitution has clearly stated the rights of women. The RGC will take measures to rigorously ensure that womanhood is respected and elevated within family circles and at work places.

Efforts should be paid to war victims. The Social Affairs Ministry should examine and pay great attention to assist those who are war victims, widows, orphans, and invalids. Former combatants and soldiers who have served the country should also be looked after, regardless of the units or factions they served in the past. [applause]

Efforts will be made to solve job problems for the people, provide vocational training, manage the labor force in factories and enterprises, and set up social welfare laws.

Sports will be encouraged by the ministry responsible for that matter. An educational role will be fulfilled so that Cambodia can quickly participate in the international sports community, such as on the Olympic Committee.

Concerning the information and dissemination networks, the royal government recognizes press freedom as stated in our Constitution. The state dissemination network will strive to carry out its work widely and within the bounds of liberal democracy and neutrality, and with the principles of respect for national culture and traditions. At the same time, staff training will be provided to serve the information sector in a free regime.

Postal and telecommunication networks nationwide will be restored and developed to serve society's needs. We will entrust this to the private sector, which can assist us in this field. We will manage and exploit the telecommunication networks nationwide, the gift of the United Nations, by looking after them and training staff.

Only peace can ensure that all the processes relating to the reconstruction of the Kingdom of Cambodia are carried out. The Kingdom of Cambodia most urgently needs the people and all its children to unite and follow His Majesty King Norodom Sihanouk Varaman—king, father of the nation, and heroic prince—for independence, peace, national union, and prosperity. [applause]

Cambodia has reached a new phase enabling all its citizens to rally forces and unite to serve their own well-being and to bolster the prosperity, sovereignty, and territorial integrity of the country, making the Kingdom of Cambodia prosperous and again enjoying its prestige.

For this reason, our royal government would like to appeal to all Cambodian citizens to actively support the royal government's political platform. The RGC would also like to appeal to various countries the world over and to the international community to assist and support the political principles and program of the new royal government. In particular, the government proposes that the entire National Assembly support the program of the new royal government for the cause of peace and progress in the entire world and particularly in the Kingdom of Cambodia.

Thank you. [applause]

Sihanouk Sends Congratulations to New Cabinet

BK0211124493 Phnom Penh AKP in English 1003 GMT 2 Nov 93

[Text] Phnom Penh AKP November 2—His Majesty Norodom Sihanouk, king of Cambodia, has sent warm greetings to Co-Prime Ministers Norodom Ranariddh and Hun Sen on the nomination of the new cabinet of Cambodian national government.

In his message, His Majesty Norodom Sihanouk warmly hailed Co-Prime Ministers Norodom Ranariddh and Hun Sen and all members of cabinet for the historical success, which, he said, reflected the people's feeling of high patriotism.

His Majesty Norodom Sihanouk wished the prime ministers and their colleague greater success in their honourable, national mission.

Delegates Visit Sihanouk, Return From PRC

BK0211124393 Phnom Penh National Voice of Cambodia Radio Network in Cambodian 1100 GMT 2 Nov 93

[Text] A high-ranking delegation of the National Assembly led by His Excellency [H.E.] Chea Sim, chairman of the Kingdom of Cambodia's National Assembly, and the government delegation led by Prince Kromluong Norodom Ranariddh, first prime minister, and H.E. Hun Sen, second prime minister, returned from Beijing of the PRC at 1510 on 2 November.

In Beijing, the delegations called on and presented wishes to His Majesty Norodom Sihanouk Varaman, of the Kingdom of Cambodia, and presented the list of the new cabinet for the king to sign as the royal decree appointing the Kingdom of Cambodia's cabinet.

According to an official in the delegation, King Norodom Sihanouk expressed pleasure at the composition of the cabinet adopted by the National Assembly on 29 October. He also asked H.E. Ieng Muli, who is information minister, to keep his post as director of the Cambodian Mine Action Center, CMAC.

The source also says that the king asked for a delay of about six months before returning home due to the fact that Chinese doctors are still examining his health step by step. There are six steps altogether; only the first step has been completed so far. The king further said that the continued examination by Chinese doctors is to ensure his good health when he returns to the Kingdom of Cambodia to be with his respected compatriots.

Greeting the delegation at Pochentong airport were H.E. Loy Simchheang, first vice chairman of the National Assembly; H.E. Son Soubert, second vice chairman of the National Assembly; H.E. Sar Kheng, deputy prime minister and minister of interior and security; H.E. Keat Chhon, state minister; H.E. Chem Snguon, state minister and justice minister; their excellencies people's representatives, ministers, state secretaries, and many generals of the Khmer Royal Armed Forces.

Moreover, Madame Xue Yuee, ambassador extraordinary and plenipotentiary of the PRC to Cambodia, was also present.

Khieu Samphan Supports Sihanouk's 'Advice'

BK0211085193 (Clandestine) Voice of the Great National Union Front of Cambodia in Cambodian 2330 GMT 1 Nov 93

["Text" of message from Khieu Samphan, head of the Party of Democratic Kampuchea, voicing full support for King Sihanouk's message to the nation; dated 31 October—read by announcer]

[Text] To His Majesty King Norodom Sihanouk Varaman, king of the Kingdom of Cambodia.

Your majesty: I have just received the 31 October message that your majesty kindly gave to the nation and people—all of your children and grandchildren—in the entire Kingdom of Cambodia on the grand occasion of your majesty's birthday.

I have read and attentively considered your message. I would like to beg your majesty for permission to inform you, on behalf of the entire Party of Democratic Kampuchea [PDK], that we joyfully support your majesty's precious advice: The salvation of the nation and people should be carried out by ourselves. The sole heavenly medicine that can cure our Cambodia's serious ailment is national reconciliation, national unity, national conscience, and national pride and the determination to realize sacred national unification just as our nation did during the matchless era of glorious Angkor and in the recent 1952-53 period when your majesty led the royal crusade for Cambodia to enjoy full independence. The main lesson that we have drawn from the 1952-53 royal crusade is that this sacred national unification and determination may avoid bloodshed and war. The armed struggle to liberate the nation is excellent and valuable. However, it would be more excellent to seize and bring full independence to the motherland through peaceful means.

At the same time, I would like to express full support for your majesty's view that three major problems that need to be resolved are: The problem of the Khmer Rouge; the problem of territorial integrity not being respected by neighboring countries; and the problem of rehabilitating and building the economy and people's livelihood, especially in the agricultural field which has deteriorated with each passing year.

The means for resolving these problems is the heavenly medicine that your majesty applied in the 1952-53 royal crusade—your majesty's valuable advice that I cited above.

Availing myself of this occasion, I beg to express best wishes to your majesty for a quick recovery so you may continue being our great leader to uphold the national salvation banner and lead the entire Cambodian nation and people to realize the policy of national reconciliation, unity, and unification of all national forces in the entire Kingdom of Cambodia.

Also on this occasion, I would like to express best wishes to Her Majesty the Queen.

Please forgive any inappropriateness.
[Dated] 31 October 1993
[Signed] Khieu Samphan, chairman of the PDK

Finance Minister Interviewed on Reconstruction

BK0111112893 Hong Kong AFP in English 1110 GMT 1 Nov 93

[by Yvan Chemla]

[Text] PHNOM PENH, Nov 1 (AFP)—Cambodia needs at least three billion dollars to restore the country to pre-1970 levels and erase the devastation of war, newly reinstated finance minister Sam Rangsi said.

The international community has already committed one billion dollars to Cambodia's rehabilitation through the International Committee on the Reconstruction of Cambodia (ICORC), which met in Paris in September. But Sam Rangsi told AFP in an interview that three times that amount would be needed.

ICORC is due to meet again in March 1994 to discuss financing further needs for Cambodia.

International donors are encouraging Cambodia to develop a one-stop office to handle foreign aid in preparation for the meeting. Currently the finance, foreign affairs and planning ministries are involved.

A weak transport and communications infrastructure is the country's main obstacle to development, Sam Rangsi said.

Cambodia's major arteries are still cratered and mud-drenched—despite rehabilitation efforts by U.N peacekeepers—with bridges continually severed by Khmer Rouge sabotage.

Water in the towns is contaminated and undrinkable. Electricity flows only sporadically. Telephone lines are often cut. Trains are blown up by mines and raided by bandits and Khmer Rouge guerrillas.

"The destruction over the last 20 years has been considerable," he said. "In 1970 we were at the same level (of development) as Thailand. Now we're 30 years behind."

Sam Rangsi said he was optimistic about securing the funds he needs within three to five years. But he also warned of a tough drive to put Cambodia's public finances in order and scale back the budget deficit so that the country can promote development and lure investment.

"Money is not enough," he said. "We need the will of Cambodians to work together in the interests of national reconciliation."

By working to develop rural areas and end corruption, the government also hopes to "cut the ground from under the feet of the Khmer Rouge," whose destabilizing presence is a deterrent to foreign investors.

The Khmer Rouge have been sidelined, according to Sam Rangsi, who hoped that the restoration of the monarchy would change the attitude of Thailand, which has been little inclined until now to shift its stance towards the radical guerrillas.

Sam Rangsi, a 44-year-old French-trained economist, has launched reforms praised by many analysts for being courageous and imaginative. He has imposed 50-percent import duties on luxury goods such as cigarettes and alcohol while at the same time attacked inflation by choking the money supply.

To increase state revenue, Sam Rangsi has dangled incentives for customs officers who snare smugglers. The culprits pay double duty, half of which goes to the state and the other half to the arresting officers.

The result is a two-fold increase in state revenue from June to September—12 million to 24 million riels (4.8 million to 9.6 million dollars).

Still, Cambodia so far has been unable to attract investors who have the best interests of the country in mind. Thanks to corruption, dubious and inefficient enterprises have found a place in Cambodia's business community.

Talks Depend on Khmer Rouge 'Flexibility'

BK0311115193 Phnom Penh AKP in English 1010 GMT 3 Nov 93

[Text] Phnom Penh AKP November 3—The talks between the Royal Government of Cambodia and the Khmer Rouge would depend on the latter's flexibility, said Sieng Lapress, chief of the cabinet of the Ministry of Information.

Cambodian first and second prime minister Sdech Kromluong Norodom Ranariddh and Hun Sen have asked the Maoist guerrilla group to recognize the royal government, surrender their zones of control and stop propagating on the "Vietnamese puppets."

The Khmer Rouge who boycotted the UN-supervised elections in May and control about 20 percent of the Cambodian territory especially the areas along the Cambodian-Thai border have stated that they recognized the monarchy but not the government. They also refused to surrender their zones of control to the government and instead asked the government to claim back the land, they said, seized by Vietnam.

"Right now Sdech Kromluong Prince Norodom Ranariddh and H.E. Hun Sen are looking for flexibility and some kind of sincere gesture from the part of the Khmer Rouge," said Sieng Lapress in a regular briefing, adding, "those include the recognition of the royal government. And this is the start for the talks."

"The ball is in the Khmer Rouge's court. If there no flexibility there won't talks at all." [sentence as received] said Sieng Lapress.

KR Suspected of Firing Rockets Near Airport

BK0211124893 Hong Kong AFP in English 1219 GMT 2 Nov 93

[Text] Phnom Penh, Nov 2 (AFP)—Government officials said Tuesday that Khmer Rouge [KR] guerrillas fired two rockets at Cambodia's international airport as the city's inhabitants were celebrating the 71st birthday of King Norodom Sihanouk.

Police Major Neav Kunny said that two Chinese-made 107mm rockets were fired from near Prey Svay village in the rural outskirts of Phnom Penh Sunday and fell about three kilometers (two miles) northeast of Pochentong airport, the first such incident since 1989.

Only one of the rockets exploded but caused no injury or damage, as the blast took place in isolated marshland at around 10:30 p.m., the major said.

Although there were no witnesses, the major, who is stationed near the area where the rockets were launched, blamed the ultra-nationalist Khmer Rouge for the attack. He said the rockets were fired from the same area the guerrillas used to target the airport during the 1970s war against the Lon Nol regime. However, he said there had been no guerrillas spotted in the area in recent years.

The major produced a third rocket which he said his men found at the launching site.

It had failed to ignite due to the primitive, and also inaccurate, method the guerrillas used to launch the rockets by lighting a fire under their base, he said.

An official at the ministry of defence said he could not identify the attackers as they fired the rockets in such a manner to allow them time to run away. But Army Colonel Hy Potha said: "Nobody else except Pol Pot's troops does like this."

Laos

Prime Minister To Visit Cambodia 4-7 Nov

BK0111061993 Vientiane Vitthayou Hengsat Radio Network in Lao 0000 GMT 1 Nov 93

[Press release issued by the Prime Minister's Office; date not given]

[Text] In response to an invitation from Samdech Kromloung Norodom Ranariddh, first prime minister, and His Excellency [H.E.] Hun Sen, second prime minister of the Kingdom of Cambodia, H.E. Khamtai Siphandon, prime minister of the Lao People's Democratic Republic, will pay an official friendship visit to the Kingdom of Cambodia from 4 to 7 November 1993.

Reportage, Comment on SRV President's Visit

Arrives for Official Visit

BK0111063393 Vientiane Vitthayou Hengsat Radio Network in Lao 0500 GMT 1 Nov 93

[Text] This morning, SRV President Le Duc Anh, his wife, and entourage arrived in Vientiane on an official friendship to our country at the invitation of Nouhak Phoumsavan, president of the Lao People's Democratic Republic [LPDR]. Accompanying SRV President Le Duc Anh were Nguyen Manh Cam, foreign affairs minister; Le Van Kiet, minister of commerce; (Nguyen Viet Young), minister attached to the presidential office; and Bui Van Thanh, SRV ambassador extraordinary and plenipotentiary to the LPDR.

A grand ceremony was held at Wattai airport to welcome SRV President Le Duc Anh and his delegation. Present at the airport were LPDR President Nouhak Phoumsavan and his wife; Saman Vi-gnaket, chairman of the National Assembly; Khamphoui Keoboualapha, deputy prime minister and chairman of the Committee for Planning and Cooperation; Somsavat Lengsavat, foreign affairs minister; Sompadit Volasan, minister of trade; Thongdam Chanthaphon, minister and head of the office of the president; Boun-gnang Volachit, lord mayor of Vientiane Municipality; ministers and deputy ministers; a number of high-ranking officials; and Khamphet Phengmeuang, LPDR ambassador extraordinary and plenipotentiary to the SRV.

At 1000, a special plane with the delegation on board landed at Wattai airport. Le Duc Anh, his wife, and entourage were warmly welcomed by Nouhak Phoumsavan and his wife. After that the Vietnamese and Lao national anthems were played while the two personalities took the stand to pay respect to the Vietnamese and Lao national flags. [The Vietnamese and Lao national anthems are played by a band; subsequently, a report by an officer inviting President Le Duc Anh to inspect the guard of honor is also heard while the band is playing a marching song]

After that the motorcade with President Le Duc Anh, his wife, and entourage proceeded to the Special Guest House in Vientiane capital.

At 1055, SRV President Le Duc Anh and his delegation laid a wreath at the Monument of Unknown Combatants.

This afternoon at the Ho Kham Hall in Vientiane capital, LPDR President Nouhak Phoumsavan and SRV President Le Duc Anh will hold official talks. At 1700, Khamtai Siphandon, chairman of the Lao People's Revolutionary Party Central Committee and LPDR prime minister, will hold a grand welcoming ceremony in honor of President Le Duc Anh and his party. At 1900, President Nouhak Phoumsavan will host a dinner banquet in honor of the SRV president and his delegation at the National Assembly.

Hanoi Radio on Welcoming Ceremony

BK0111134993 Hanoi Voice of Vietnam Network in Vietnamese 1100 GMT 1 Nov 93

[Text] This morning, 1 November, Vietnamese President Le Duc Anh and his wife arrived in Vientiane for an official visit to the Lao People's Democratic Republic [LPDR] at the invitation of Comrade Nouhak Phoumsavan, president of the LPDR. Accompanying the president were Nguyen Manh Cam, foreign minister; Le Van Triet, minister of commerce; and Nguyen Viet Dung, head of the Presidential Office.

A solemn ceremony was held at Wattai Airport to welcome the Vietnamese delegation. The airport was decorated with Vietnamese and Lao flags and banners welcoming the Vietnamese president.

At 1000, the special aircrft carrying President Le Duc Anh and his entourage landed at Wattai International Airport. Comrades Nouhak Phoumsavan, president of the LPDR and his wife; Saman Vi-gnaket, National Assembly chairman; Khamphoui Keoboualapha, deputy prime minister; Somsavat Lengsavat, minister of foreign affairs; and many other ministers were on hand to welcome President Le Duc Anh and his entourage. Vietnamese ambassador to Laos Bui Van Thanh, Vietnamese Embassy officials, and members of the Vietnamese Residents Association in Laos were also present.

Young Lao girls presented President Le Duc Anh with Champa flowers symbolizing the lofty, pure, and loyal friendship between the two peoples.

After the military band played the national anthems of the two countries, Comrade Nouhak Phoumsavan led President Le Duc Anh to inspect the guards of honor. The Lao president introduced to President Le Duc Anh the Lao party and state leaders, cadres of various sectors and mass organizations. A large group of Vietnamese cadres, experts, and residents in Vientiane lined up to welcome the Vietnamese president.

Afterward, Comrades Nouhak Phoumsavan and Le Duc Anh and his entourage left for the Ho Kham Presidential Palace. In an atmosphere of special friendship, Comrade Nouhak Phoumsavan warmly welcomed Comrade Le Duc Anh, his wife, and the Vietnamese guests. Comrade Nouhak said: The visit brings great encouragement to cadres and the multiethnic people of Laos. It helps strengthen the traditional and special friendship and solidarity between the two nations and peoples.

Comrade Le Duc Anh sincerely thanked President Nouhak Phoumsavan and his wife, the Lao party and state leaders, and people for their warm welcome and hospitality extended to the Vietnamese delegation, thereby manifesting the close and fraternal relationship between the two parties, states, and peoples.

On the morning of the same day, President Le Duc Anh and his entourage visited and laid a wreath at the Momument of Fallen Soldiers in Vientiane. The wreath bears an incription reads: Glory belongs to the Lao fallen soldiers who sacrificed for national independence and freedom, and for the Lao people's happiness.

Holds Talks With Nouhak Phoumsavan

BK0111131793 Vientiane Vitthayou Hengsat Radio Network in Lao 1200 GMT 1 Nov 93

[Text] Nouhak Phoumsavan, president of the Lao People's Democratic Republic [LPDR], and Le Duc Anh, president of the SRV, held official talks this afternoon at the Ho Kham Hall in Vientiane. Attending the talks for the Lao side were Somsavat Lengsavat, foreign affairs minister; Thongdam Chanthaphon, minister attached to the presidential office; Sompadit Volasan, minister of trade; and Khamphet Phengmeuang, LPDR ambassador extraordinary and plenipotentiary to the SRV. The Vietnamese side was represented by Nguyen Manh Cam, foreign affairs minister; Le Van Kiet, minister of commerce; Nguyen Viet Dung, minister attached to the presidential office; and Bui Van Thanh, SRV ambassador extraordinary and plenipotentiary to the LPDR. The talks, which lasted for 2 hours, were permeated with an atmosphere of intimacy and mutual understanding.

On this occasion, Minister Thongdam Chanthaphon gave a news interview summing up the outcome of the talks between the two presidents:

[Begin Thongdam Chanthaphon recording] At the meeting between our president and the SRV president today, the two sides informed each other of the achievements of the implementation of the policy of restructuring in each country in the economic, cultural, and social fields which have been developed along the line of the policy adopted by each country. At the same time, the two sides also exchanged views and reached unanimity on various issues of mutual interest regarding the regional and world situations. The two sides noted that the special solidarity and comprehensive cooperation between the states and peoples of Laos and Vietnam have been further strengthened under all circumstances. I think that the meeting was very productive. At the end, SRV President Le Duc Anh invited President Nouhak Phoumsavan to pay an official visit to the SRV at an appropriate time. President Nouhak Phoumsavan gladly accepted the invitation, terming it a great honor. The two sides noted that the mutual cooperation between the two sides has increasced comprehensively, especially since the meeting in March 1993 between the delegations of the two party Political Bureaus. However, the meeting agreed that certain economic agreements reached between the two sides should be more clearly and quickly realized in a timely manner. [end recording]

At 1900 this evening at the National Assembly, President Nouhak Phoumsavan and his wife will host a dinner banquet in honor of President Le Duc Anh, his wife, and the SRV delegation.

VNA Reports on Talks

BK0111152593 Hanoi VNA in English 1458 GMT 1 Nov 93

[Text] Hanoi VNA Nov. 1—Talks were held in Vientiane this afternoon between Lao President Nouhak Phoumsavan and President Le Duc Anh who is on an official friendship visit to Laos.

Present at the talks on the Vietnamese side were Nguyen Manh Cam, Foreign Minister Nguyen Viet Dung, head of the President's Office Le Van Triet, Minister of Commerce and Bui Van Thanh, Vietnamese ambassador to Laos.

On the Lao side were Somsavat Lengsavat, Foreign Minister Thoongdam Chanthaphon, Chairman of the President's Office Sompadit Volasan, Acting Minister of Commerce and Lao Ambassador to Vietnam Khamphet Phengmuong.

During the talks, President Le Duc Anh informed his Lao counterpart of Vietnam's economic, political, security and social situation in the current renovation process and its external policy towards countries in the region and the world. Particularly, in the Vietnam-Laos relations, President Anh affirmed Vietnam's determination to further strengthen the traditional relations of friendship and all-sided cooperation between the two countries, aimed at developing each country's potentials and taking the Vietnam-Laos relations to a new step of development, thus actively contributing to the maintainance of peace, stability, friendship, cooperation and development in the region.

The Vietnamese leader expressed his satisfaction at the achievements recorded by the Lao people under the leadership of the Lao People's Revolutionary Party in their current reform process, and his thanks to the Lao party, state and people for their assistance to Vietnam in the past as well as at present.

For his part, President Nouhak Phoumsanvan welcomed the initial achievements recorded by the Vietnamese people in their current renovation process, and informed President Le Duc Anh of Laos' socio-economic situation in the process of implementing targets and plans for Laos' socio-economic development up to the year 2000 and two strategic tasks and the comprehensive reform process set forth by the 5th Congress of the LPRP.

The Lao president expressed his pleasure at the traditional relations and all-sided cooperation between the two parties, states and the people of Vietnam and Laos in various fields. He affirmed the Lao party, Army and people's determination to do their best to further develop the specially traditional friendship and all-sided cooperation between the two countries.

At the talks, the two sides exchanged views on international and regional issues of common concern. They noted that although the present situation in the world is complicated, the trend of peace, stability and cooperation among countries would be further consolidated and developed. They expressed their satisfaction at the fine development of the cooperative relations between Vietnam, Laos and ASEAN countries.

The talks took place in an atmosphere of friendship and fraternal solidarity.

Meets With Khamtai Siphandon

BK0211132993 Vientiane Vitthayou Hengsat Radio Network in Lao 1200 GMT 2 Nov 93

[Text] At 1700 yesterday, Comrade Khamtai Siphandon, chairman of the Lao People's Revolutionary Party [LPRP] Central Committee and prime minister of the Lao People's Democratic Republic [LPDR], received and met with Comrade Le Duc Anh, Political Bureau member of the Communist Party of Vietnam Central Committee and president of the SRV, and his delegation at the LPRP Central Committee Reception Hall. At the meeting, Comrade Khamtai Siphandon hailed the official friendship visit to the LPDR by Comrade Le Duc Anh and his entourage, terming it a gesture of further strengthening the relations of friendship, special solidarity, and comprehensive cooperation between the two parties and peoples of Laos and Vietnam. Comrade Khamtai Siphandon informed the visitors of the achievements made in national construction and development, especially following the adoption of the sixth and seventh resolutions by the party Central Committee, which are being correctly and effectively put into practice, aimed at implementing the economic development plan by emphasizing the development of certain specific areas throughout the country with detailed projects.

Comrade Le Duc Anh expressed thanks to Comrade Khamtai Siphandon for according him a warm welcome. He also informed Comrade Khamtai Siphandon of the present steps of economic development in the SRV. In addition, the SRV has also attained remarkable achievements in carrying out its international affairs, he noted.

Visits Vientiane Province

BK0211134393 Vientiane Vitthayou Hengsat Radio Network in Lao 1200 GMT 2 Nov 93

[Text] SRV President Le Duc Anh and his entourage continued their friendship visit to Laos today, the second day of his visit.

At 0830, President Le Duc Anh and his delegation left Vientiane Municipality for Vientiane Province to pay a visit to that province. They were warmly welcomed by Provincial Governor Monkeo Oulaboun, members of the provincial administrative committee, and people of all strata in the province. Upon their arrival in the province, the provincial administrative committee organized a Basi blessing ceremony in honor of President Le Duc Anh, his wife, and his party. After that, President Le Duc Anh toured the facilities at the Nam Ngum hydroelectric dam—the first hydroelectric generating plant in Laos capable of generating 150 kwh and an important component of Laos' national economy. At 1130, Provincial Governor Monkeo Olaboun hosted a luncheon in honor of President Le Duc Anh and his entourage.

In the afternoon, after returning from Vientiane Province, President Le Duc Anh and his party were scheduled to call on Souphanouvong and Phoumi Vongvichit, advisers to the Lao People's Revolutionary Party Central Committee, and the widow of Kaysone Phomvihan. Afterwards, President Le Duc Anh was to receive the delegations of the Laos-Vietnam friendship association and the overseas Vietnamese association in Laos.

Hanoi Radio on Banquet

BK0211135193 Hanoi Voice of Vietnam Network in Vietnamese 1100 GMT 2 Nov 93

[Text] At the Lao National Assembly building in Vientiane on the evening of 1 November, Comrade Nouhak Phoumsavan, president of the LPDR [Lao People's Democratic Republic] and his wife hosted a banquet in honor of SRV President Le Duc Anh and his entourage currently on an official friendship visit to Laos.

At the banquet, comrade Nouhak Phoumsavan delivered a welcoming speech and SRV President Le Duc Anh delivered a reply speech.

Following the banquet, the Vietnamese and Lao leaders as well as other distinguished guests attended a Lao traditional artistic show to welcome the Vietnamese president and his wife.

VNA Carries Banquet Speeches

BK0211152393 Hanoi VNA in English 1510 GMT 2 Nov 93

[Text] Hanoi VNA Nov. 2—Lao President Nouhak Phoumsavan and his wife gave a grand banquet in Vientiane yesterday evening in honour of President Le Duc Anh, his wife and his party on the occasion of their official friendship visit to Laos.

In a welcome speech delivered at the banquet, President Nouhak Phoumsavan said, 'First of all would like to express my sincere thanks to President Le Duc Anh for bringing the fraternal Vietnamese people's warm and close sentiments to our Lao people. In the juncture of changes in the present situation in the world, President Le Duc Anh's visit to Laos has an extremely important significance, marking a new step of constant development of the special friendship and solidarity, and all-sided cooperation between the two countries, which is regarded as one of the decisive factors for the success of the two countries' revolutions in the past, and as a precious legacy handed down to us by great President Ho Chi Minh'.

He said that the Lao people were very glad to see the Vietnamese people making initial, but important achievements in national construction.

'The Lao people' he continued, 'firmly believe that the Vietnamese fraternal people would gain greater success in their comprehensive renovation process aimed at achieving the targets set by the seventh congress of the Communist Party of Vietnam to get the country to advance with a firm and rapid pace, thus making contributions to the common cause of the people over the world for the sake of peace, national independence, democracy and social progress, and to the tendency for peace, friendship, cooperation and development in Southeast Asia.'

'Persisting in its external policy for peace, independence, friendship and cooperation with other countries, the Lao People's Democratic Republic pledges to continue developing the special friendship, solidarity and comprehensive cooperation with the Socialist Republic of Vietnam in conformity with the situation and renovation policy of each country, thus bringing about practical benefits for our two peoples,' the Lao president said.

In reply, President Le Duc Anh said: 'We are very glad at the great achievements recorded by the Lao state and people in their cause of comprehensive renovation in the spirit of the solution of the 5th Congress of the Lao People's Revolutionary Party the Vietnamese state and people regard these achievements as of their own and wish the fraternal Lao people bigger success in carring out their strategy for socio-economic development to the year 2000 which is aimed to build Laos into a peaceful, independent, democratic, unified, and prosperous country, and make considerable contributions to peace and progress in the region and over the world'. [sentence as received]

After praising the special relationship between the two nations, President Le Duc Anh said: 'We always bear in mind the great support and precious assistance of the Lao party, state and people to the Vietnamese people in their national defence and development. We are happy to see that with such lofty tradition, the special relationship as well as the all-sided cooperation between the two countries has constantly been consolidated, renovated and developed along the line of enhancing its quality, effectiveness and mutual benefit, and at the same time supporting and helping each other in the spirit of comradeship. The Vietnamese people are determined to maintain and foster the Vietnam-Laos relationship and make it ever lasting,' concluded President Le Duc Anh.

After the banquet, an art performance was held to welcome President Le Duc Anh and his party.

PASASON Welcomes Visit

BK0111092193 Vientiane Vitthayou Hengsat Radio Network in Lao 0000 GMT 1 Nov 93

[PASASON editorial of 1 November: "Wholeheartedly Pay Tribute to and Welcome Comrade Le Duc Anh, President of the SRV, for Paying a Friendship Visit to Our Country"]

[Text] Respected listeners: Today, Comrade Le Duc Anh, president of the SRV, is scheduled to arrive here to pay an official friendship visit to our country at the invitation of Comrade Nouhak Phoumsavan, president of the Lao People's Democratic Republic [LPDR]. This visit is an important political event which will contribute to strengthening the relations, special solidarity, and comprehensive cooperation between Laos and Vietnam. It is also an auspicious event in which we, the multiethnic Lao people, would like to express our elation and to wholeheartedly welcome Comrade Le Duc Anh and his entourage.

The Lao people are extremely overjoyed to see that in the past few years, the SRV has managed to achieve numerous successes in many fields relating to renovation. The most outstanding achievement is that it is now able not only to resolve the problem of food shortages, which was once a severe difficulty in that country, but also to export rice to earn revenue. In the early months of 1993 alone, Vietnam exported nearly 1 million metric tons of rice. In the first half of this year, industrial production there also increased 10.2 percent. Foreign investment has also increased in depth and breadth. In the first six months of 1993, the SRV Government granted permission for 110 foreign investment projects worth more than $1.648 billion.

Laos and Vietnam are neighboring countries sharing a common border, maintaining relations since ancient times, and rendering mutual assistance to each other for independence and freedom. Over the past half-century since the birth of the Indochinese Communist Party which was founded, nurtured, and trained by President Ho Chi Minh, the Lao and Vietnamese peoples have stood shoulder to shoulder in the same trench, fighting common enemies together until victories have been won for each country. Under the current and new circumstances, the relations between the two countries have received even more attention aimed at improving the quality and efficiency of their mutual cooperation in conformity with the conditions and capabilities in each country on the basis of respect for each other's independence, sovereignty, equality, and mutual benefits.

The multiethnic Lao people keep in mind that all steps leading to the victories and achievements attained by each country in the tasks of restructuring are also linked to the firm steps of development in the relations of friendship, special solidarity, and comprehensive cooperation between Laos and Vietnam.

On this occasion of the high-level SRV delegation paying an official friendship visit to our country, we, the Lao people, would like to extend our thanks to the fraternal Vietnamese party, state, and people for having consistently rendered invaluable support and assistance to our tasks of national defense and national construction. We firmly believe that the friendship visit to Laos by Comrade Le Duc Anh will become a great milestone in the relations between the two countries and contribute to increasing and diversifying the friendly relations and to increasing the efficiency of cooperation between Laos and Vietnam. It will also contribute to the cause of peace, stability, and cooperation in Southeast Asia and the rest of the world.

The multiethnic Lao people wish Comrade Le Duc Anh and all comrades in the delegation good health and glorious success in paying this friendship visit to our country.

SRV Army Delegation Departs 2 Nov

BK0311043393 Vientiane Vitthayou Hengsat Radio Network in Lao 2330 GMT 2 Nov 93

[Text] A delegation of the General Political Department of the Vietnam People's Army [VPA] led by Comrade Lieutenant General Le Kha Phieu, secretary of the Communist Party of Vietnam [CPV] Central Committee and chief of the VPA General Political Department, ended a gloriously successful visit to our country and left for home on 2 November on a special VPA plane.

During the visit, the VPA delegation met and exchanged experiences with a delegation of the General Political Department of the Lao People's Army [LPA]. It also held meetings with officials of other LPA services to discuss party and political work and other issues of common interest.

The VPA delegation also visited the first zoo in Laos in Thoulakhom District, Vientiane Province; viewed the scenery at the reservoir of the Nam Ngeum hydroelectric dam; and visited a number of schools and military units of the LPA. The VPA delegation also viewed the traditional boat race organized on the occasion of the end of Buddhist Lent at Tha Vatchan landing place in Vientiane. In addition, it visited the bridge across the Mekong River and the Lao Brewery.

Before departing, on the afternoon of 1 November, Comrade Lt. Gen. Le Kha Phieu and his delegation paid courtesy calls on Comrade Khamtai Siphandon, chairman of the Lao People's Revolutionary Party [LPRP] Central Committee and prime minister of the Lao People's Democratic Republic [LPDR], and Comrade Lt. Gen. Choummali Sai-gnason, Political Bureau member of the LPRP Central Committee and minister of national defense. In their courtesy calls on our Lao party and Army leaders on this occasion, the delegation of the VPA General Political Department was accorded a warm welcome. The Lao party and Army leaders expressed satisfaction over the close, traditional relations between the armies of the two countries. They also expressed the conviction that under the new circumstances, the LPA and the VPA will further strengthen their solidarity. On this occasion, the LPA General Political Department held a Basi well-wishing ceremony and a farewell banquet for the VPA delegation in a spirit of warmth.

Khamphoui Keoboualapha Report: 6th Installment

BK0311113793 Vientiane PASASON in Lao 15 Oct 93 p 3

[Sixth installment of "report" by Deputy Prime Minister Khamphoui Keoboualapha to the Second Ordinary Session of the Third National Assembly held in Vientiane on 27 September: "The Status of the Implementation of the 1992-93 Socioeconomic Development Plan and the Duties and Orientation of Tasks for the 1993-94 Fiscal Year"]

[Text] 4. The Trade Sector:

—To vigorously promote goods production and to ensure markets for producers; to set up projects to effectively produce certain kinds of goods in a particular area in each locality without duplicating other localities; to adopt measures to restrict import of unwanted goods; to protect domestic production and to reduce trade deficits; to expand cross-border trading and duty-free trade in areas where conditions permit by applying lessons drawn from the cross-border trading in Savannakhet Province to trading activities in the northern and southern regions; and to set up regulations involving transit, duty-free, cross-border, and wholesale trading and other forms of trading to conform to the requirements of the new period. The state must manage trading of certain kinds of strategic goods.

—To encourage trading companies such as import-export enterprises to carry out activities as specific groups or associations in accordance with the categories of goods they produce on the basis of the similarity of goods so as to avert confusion in markets and to protect interests of both producers and consumers; to encourage import-export companies to adhere to the 10 standards set forth by the Ministry of Trade or at least the first three standards. Those companies that fail to comply with these conditions must be sanctioned.

—To set up a government committee on goods production to fruitfully coordinate, organize, guide, and implement goods production programs.

5. The Tourism Sector:

—To improve the National Tourism Organization to become more capable in managing and supervising the expansion of tourism business in the near future; to create and propose a strategic tourism plan to the government for consideration and approval by relying on our own actual capabilities; to train tourist guides with a view to increasing their knowledge, abilities, and qualifications so that they can provide good services to tourists; to reorganize and supervise the existing tourist companies and services and to encourage them to improve tourist attraction facilities and services; and to find new tourist attraction locations: Luang Prabang, the central region; Lakhonpheng, the northern region; and other places in accordance with the prevailing potentials.

—To improve relations and cooperation between the National Tourism Organization and the national defense and public security maintenance service; to manage the entry and departure of the country by foreigners in order to ensure both safety for visitors and security for the country; to preserve fine national culture and customs; and to clearly define the scope of responsibility in tourism for each locality in order to prevent unorganized tourist services.

6. The Finance and Banking Sector:

In the 1993-94 fiscal year, efforts must be made to mobilize domestic revenue sources to generate 142 billion kips for state budgets, an increase of 14.4 percent compared to the previous year. We must readjust the tax policy to become more justified than before in order to ensure justice and to mobilize all revenue sources to contribute to the budgets, invest to expand revenue bases both in the immediate future and for a long-term purpose, increase the degree of responsibility of all localities, and adopt measures to generate revenue for the budgets.

In the expenditure sphere, we must spend money in the unfluctuating amount we are able to earn and reduce extraneous state expenditures. In dispensing capital sources, such as external capital sources, we must accentuate only building and expanding the economic and cultural infrastructure and expanding production. We must strictly implement the management regulations of both revenue and expenditures and carry out regular inspection of this practice, strictly keep accounting to prevent pilferage and other acts of negativism, promote thrifty spending and repel acts of extravagance, and try to resolve as much as possible any ambiguous debts, especially delayed payment of salaries.

Correction to Khamphoui Keoboualapha Report

BK0311112393

The following correction pertains to the item headlined "Fifth Installment," published in the 2 November East Asia DAILY REPORT, page 35: Please make subslug read: [Fifth installment of "report" by Deputy Prime Minister Khamphoui Keoboualapha... (deleting words "and final")

Philippines

Government, MNLF Agree on Five of Eight Issues

BK0111104593 Manila MANILA BULLETIN in English 29 Oct 93 pp 1, 8

[By Willie L. Catapat]

[Text] The negotiating panels of the Republic of the Philippines and the Moro National Liberation Front (MNLF) have reached understanding on five out of eight items submitted for discussion in the Jakarta, Indonesia peace talks, Ambassador Manuel T. Yan [chairman of the government panel] said yesterday. Yan said the five items are among the provisions of the Tripoli Agreement which both panels believe are of prime importance to ensure the success of the talks.

In an interview by a Manila radio station, Yan said the issues of national defense, regional security, education, administrative system, and economic and financial system will be tackled by a small working group and the result of their studies will be submitted to the panels for formal deliberations.

"We recommended the creation of a small working group to study and flesh out the five provisions of the Tripoli Agreement," Yan said. He added that he expects the result of the study of the small working group to be submitted either today or tomorrow to the regular panels.

Yan also added that generally, the atmosphere of the talks is cordial, friendly, and constructive. However, he stressed that on some delicate issues like national defense and regional security matters, a thorough study and deliberations are needed before any agreement can be finalized. He recommended the creation of a joint commission to work on some of these complicated and lengthy provisions of the Tripoli Agreement which also require the services of experts and technical people. He said the joint commission could submit its recommendations in 60 days.

Yan said that the provision in the Tripoli Agreement providing for the integration of some units of the MNLF into the regular forces of the AFP [Armed Forces of the Philippines] must be made in consideration of the organizational structure of the AFP, its training and other military aspects.

Yan added that the area of autonomy will be tackled in recognition of the need to have a lasting and just peace in Mindanao, but will always be in accordance with the constitutional processes.

Opposition

Zamboanga City (PNA)—A former official of the rebel Moro National Liberation Front has expressed strong opposition to the dissolution of Autonomous Region in Muslim Mindanao (ARMM) as demanded by the MNLF in the on-going Jakarta peace talks. The MNLF does not recognize the legitimacy of the ARMM and wants the organization of a new provisional autonomous government in Muslim Mindanao.

Sali Wali, a former member of the MNLF Central Committee, said it is not advisable for the government to dissolve the ARMM even if the MNLF panel headed by its chairman, Nur Misuari, demands it.

Wali pointed out that ARMM was created under a constitutional mandate which cannot be easily tampered with. What can be done legitimately, he said, is to expand the ARMM or modify its structure but still within the framework of law.

ICO Official Impressed With Progress

BK0211115193 Quezon City GMA-7 Radio-Television Arts Network in Tagalog 0930 GMT 2 Nov 93

[Text] A high-ranking official of the Islamic Conference Organization [ICO] revealed today that the ongoing peace talks between the Philippine Government panel and the Moro National Liberation Front are making good progress.

According to Dr. (Muhammad Wakin), ICO assistant secretary general for information, culture, and social affairs, they are encouraged with the pace of the talks after observing the past eight days. Participating in the peace talks along with (Wakin) are the ambassadors and representatives from the countries of Libya, Saudi Arabia, Bangladesh, and Indonesia, which is hosting the talks.

Earlier, ICO Secretary General Hamid Algabid said that the resolution of the Mindanao problem will be beneficial for the unity of the world community and the relationship of the ICO with those countries having Muslim minorities.

National CPP-NPA Expels Four Key Leaders

BK0111085793 Quezon City Radio Filipinas in English 0230 GMT 1 Nov 93

[Text] Four leaders of the Philippines communist insurgency have been expelled from the national Communist Party and its New People's Army [NPA] in a further widening of the schism in guerrilla ranks. Gregorio Rosal, spokesman of the (Militoglor) command, the largest regional NPA command, said in a statement issued yesterday that the four were expelled for refusing to recognize the authority of Jose Maria Sison. Sison founded the NPA's political leadership, the Communist Party of the Philippines or CPP.

The four are Romulo Kintanar, NPA chief of staff; Ricardo Reyes, NPA secretary general; Arturo Tabara, secretary general of Central Philippine Command, and the NPA and CPP; and Filemon Lagman, secretary of the CPP's Manila Central Committee. Rosal said in a statement that the four are engaging in factionalism that is rooted in their refusal to recognize the authority of Jose Maria Sison. He also accused them of being psyche war agents of President Ramos for supporting government calls for localized peace talks with the guerrillas in defiance of the orders of the Netherlands-based Sison.

It was the latest open break in the CPP and NPA which has been suffering an internal feud since early this year due partly to efforts of the government to lure them into peace talks. Several NPA regional commands as well as front groups connected with the insurgents have declared their independence from Sison's group, accusing them of dictatorial methods.

Kintanar and Reyes have both been captured by the government but have been subsequently freed after President Ramos granted a general amnesty to capture insurgents as an incentive to agree to peace talks. Tabara and Lagman remain fugitives and are believed to control sizable armed factions.

ASEAN Cooperation on Border, Drugs Urged

BK0111084793 Quezon City Radio Filipinas in English 0230 GMT 1 Nov 93

[Text] Defense Secretary Renato de Villa has urged members of the Association of the Southeast Asian Nations to cooperate closely in meeting international problems, particularly piracy and drug trafficking. In making the appeal on the DND's [Department of National Defense] coming 54th anniversary celebration on 4 November, De Villa said the Philippines also continues to support the 1991 Singapore Declaration which calls for intensified security cooperation among ASEAN countries. He said the declaration presented an opportunity for the Philippines to intensify efforts of forging close cooperation and greater confidence building among the defense military establishments of the ASEAN member countries which heretofore remain bilateral initiatives.

The lack of any major threat in the region should not be reason for ASEAN to relax its guard, he warned. De Villa said the low level threats posed by piracy on border areas, drug trafficking, and smuggling have the potential of disrupting the otherwise close ties among the ASEAN nations. He urged closer ASEAN cooperation to effectively counter these criminal activities which authorities have said have been on the rise lately.

Earlier this week, the Philippines and Indonesia completed a three-day conference that called for greater security cooperation between the two countries. The two ASEAN neighbors have a joint border crossing and patrol agreement that is capable of reducing possible tensions, especially on the maritime border areas.

The country is trying to forge a similar accord with Malaysia, mainly to protect fishermen who occasionally stray into each other's fishing grounds. About 10 years ago, relations between the two countries were strained when Malaysian warships chased suspected Filipino pirates in a remote southern Philippine island inflicting casualties. Officials said one obstacle to such an agreement is the Sabah issue fueled by the Philippine claim to the oil-rich state. But De Villa said an understanding between President Ramos and Malaysian Prime Minister Mahathir only last January provided a new approach to the Sabah issue.

Also this year, Philippine and Singaporean soldiers held a joint training exercise at Fort Magsaysay in Palayan City, Nueva Ecija. No ASEAN country has ever joined the Philippines in joint exercises in the country other than the United States. Another first achieved in the Singapore-Philippines joint exercise was the involvement of ground troops from both countries considered a milestone in ASEAN history.

Thailand

Prasong Comments Further on Workers in Libya

BK0311012593 Bangkok THE NATION in English 3 Nov 93 pp A1, A2

[Text] Foreign Minister Prasong Sunsiri yesterday stressed that Thailand has acted in line with an international convention against chemical weapons in dealing with allegations some Thais are working in Libya's chemical weapon plants.

The minister said Thailand would accept the fate if it is confirmed that Libya would lay off thousands of Thai workers following a recent crackdown on three job placement agencies here which were suspected of sending the workers to work in the alleged chemical plants.

"We, Thailand as a signatory country of the anti-chemical weapon convention, will abide by any requirement stated in it," Prasong said.

Thailand signed this year the Convention on the Prohibition of the Development Production, Stockpiling and Use of Chemical Weapons and their Destruction. However, Prasong said he has instructed the Thai Embassy in Greece which oversees Thai affairs in Libya to check whether the report on the mass lay-off is true.

Recently Thai authorities revoked the licences of three companies, namely, Handel Group, Sisuphachok and W & M Co. Ltd. for illegally sending Thais to work abroad.

The investigation into the three companies followed a tip-off from the United States which alleged that some 200 Thai workers are working in Libya's suspected chemical weapon plants.

Early last month, Thai authorities arrested a construction contractor, Wirot Sakunmuthita, who was charged with illegally sending workers to Libya to build giant underground shelters suspected by the United States to be chemical plants. Wirot was released on bail on Oct 15.

The United States and Libya are engaged in a dispute resulting from the latter's refusal to hand over two suspects who allegedly time-bombed a Pan Am plane over Lockerbie, Scotland, about three years ago.

Prasong stressed that the dispute was between the United States and Libya, and that Thailand did not want to be involved.

Meanwhile, he said, a Thai ambassador in Kuala Lumpur has been instructed to seek discussion with the Libyan envoy there. The Thai ambassador would be conveying Thailand's stand that the threatened lay-off should cover only those sent through the already closed job placement agencies.

At present, Egyptian workers in Tripoli topped the list with about one million, followed by those from Thailand, Philippines, England, Poland (2,000) and the United States.

Prime Minister Chuan Likphai yesterday cautioned the press on its coverage of the Libyan affair, saying the issue could affect Thai workers there. Chuan said it was believed at least 20,000 Thais were working in the Middle East country. The Foreign Ministry's estimate put the number of Thai workers at 50,000.

Representatives Meet With Iraqi Official

JN0211175293 Baghdad Republic of Iraq Radio Network in Arabic 1500 GMT 2 Nov 93

[Text] Iraqi National Assembly Speaker Sa'di Mahdi Salih met in Bangkok today with Thai House of Representatives Speaker Marut Bunnak and his deputy Wan Muhammad Nomatha. During the meeting, in which a cordial and positive atmosphere prevailed, the two sides discussed bilateral cooperation and ways of promoting it in the interest of both peoples.

Sa'di Mahdi Salih then reviewed the negative effects of the continued, unjust economic blockade imposed on Iraq, as well as the acute shortage of food and medicine.

It is worth noting that the Iraqi National Assembly speaker is currently visiting Thailand as part of a tour that also covered China.

Editorial on New U.S. Khmer Rouge Policy

BK0111120393 Bangkok THAI RAT in Thai 1 Nov 93 p 3

[Editorial: "The United States Opens the Door"]

[Text] The people who have been closely monitoring developments in Cambodia must have known that on several occasions Cambodian leaders expressed their intention to include the Khmer Rouge in the administration of their country to restore permanent peace and put an end to the traumatic civil war. But not very long after this, they would shift to a very aggressive tone and declare they would fight tit-for-tat to wipe out the Khmer Rouge in compliance with the desire of the major powers, especially the United States, which have been providing significant assistance to Cambodia. This is why Cambodia cannot have peace now or even in the future.

The points of view of the Western and Asian countries regarding the settlement of the Cambodian problem differ completely. The Asian countries believe that durable peace can be achieved only if the past is totally forgotten and the Khmer Rouge is allowed to participate in the administration of the country. Meanwhile, the West maintains that the Khmer Rouge is the most evil group, that their return is nonnegotiable, and that the Khmer Rouge must be annihilated by all ways and means in order for permanent peace to be created in Cambodia.

The United States and Japan, which always tails after the former's policy toward Cambodia, particularly set the rule that the factions which are allowed to participate in the administration of the country must be those in the democratic movement. They probably mean the factions that participated in the general election organized by the United Nations last May. They made no attempt to conceal their intention to implement a policy that runs counter to the aspirations of the Cambodian people in the entire country and threatened to cut all assistance if the Khmer Rouge is included in the country's administration.

But it is not as easy as the West thinks to wipe out the Khmer Rouge from this world. On the contrary, such an attempt has weakened the prospects for peace in Cambodia. It has even lead to hatred and endless killings among the Cambodian people. We are tremendously pleased to know that the United States can now see a clearer picture of the Cambodian problem. A few days ago, Kenneth Quinn, deputy assistant secretary of state for East Asian and Pacific affairs, informed the U.S. House of Representatives that the United States might not oppose the Khmer Rouge's participation in the new Cambodian coalition government.

We wish to express our support for the U.S. effort to implement this line of thinking because peace in Cambodia is important not only in Southeast Asia, but also the world. Peace in Cambodia, the way the Asians want it to be, is the most indispensable element for U.S. investment in this region, where the econonic growth is the highest in the world.

We believe the United States will win much affection and praise only if it helps lay down the foundation for all Cambodian factions to be united to push their country along the path toward democracy. Hence, this region once again will not develop another cancerous disease that can weaken the world's peace.

Military Issues 'Stern Warning' to Temple

BK0211021993 Bangkok THE NATION in English 2 Nov 93 pp A1, A2

[Text] The Supreme Command has delivered a stern warning to Wat Tham Krabok which it insists is sheltering anti-Vientiane Hmong hilltribe people. It hinted at drastic action if the Buddhist temple refuses to cooperate with legal moves to oust illegals.

Supreme Commander Woranat Aphichari yesterday also urged the abbot Phra Chamrun Panchan, to allow authorities to screen the estimated 12,000 Hmong living in the monastery compound to separate right-wing guerrillas and illegal immigrants from legal residents.

"Good relations between Thailand and Laos are very important. We won't allow illegal activities by the Hmong to strain that friendship," ACM [Air Chief Marshal] Woranat said. "The Interior Ministry will go into the temple to separate legal Hmongs from illegal immigrants."

The supreme commander said there is evidence that anti-Vientiane guerrillas had been using Wat Tham Krabok as a base to launch operations inside Laos. "These people have stepped up their activities inside Laos. We have warned them, but they didn't heed our warnings.

"So we had to arrest them and we will continue to arrest them," Woranat said.

The Supreme Command last week produced a Hmong who holds a US passport and claimed to be a military leader of an anti-Vientiane movement at a press conference. The man, who was arrested by the Thai military, claimed that Wat Tham Krabok had been used as a based to launch operations into Laos. Phra Chamrun has insisted that none of the Hmong at the temple were involved in the anti-Vientiane movement.

Woranat said authorities had yet to verify that. "I believe the monk will understand. All Thais—lay people or monks—owe their allegiance to the nation.

"Because without the nation even religions will not survive," the supreme commander said. "He (Phra Chamrun) should have cooperated."

The National Security Council, Interior Ministry and Defence Ministry decided earlier this year that the presence of a large number of Hmong illegals at Wat Tham Krabok could pose a threat to national security if allowed to continue unchecked.

Woranat said the Thai military had intensified suppression of anti-Vientiane activities because the government valued good relations with Laos. The crackdown on Hmong guerrillas is a Thai initiative and was not requested by the Laotian government.

On Saturday, Army Commander-in-Chief Wimon Wongwanit cautioned Phra Chamrun against putting humanitarian work among the Hmong ahead of Thai-Lao relations. Wimon said he understood that the abbot had good intentions—to save hilltribe drug addicts by giving them shelter and treatment—but the monk should also be aware of the possible adverse affects on the security of a neighbouring country.

The 68-year-old monk began treating drug addicts with herbal medicine at his temple in 1959 and won a Magsaysay Award for public service in 1975. Before entering the monkhood he was a police officer with a distinguished record in crime suppression.

Security officials maintain many of the Hmongs at the temple are illegal immigrants from Laos, by Phra Chamrun claims most were born in Thailand and should be made eligible for citizenship.

Phra Chamrun said there are about 12,000 Hmongs at Wat Tham Krabok—about 2,000 of them are drug addicts receiving treatment and the others are family and dependents.

Most of the Hmongs at the temple earn their living working on farms and at rock grinding plants in Saraburi. Trucks arrive early in the morning to take them to work, returning them in the evening.

Saraburi provincial authorities, including the local police chief, have defended Phra Chamrun against allegations that his temple has been used to launch operations against the Laotian government.

Government Interested in German Weaponry

AU0211175193 Berlin DIE WELT in German 1 Nov 93 p 3

[Report by Martin S. Lambeck: "Interested in the Leopard"]

[Text] Bangkok/Seoul—The Kingdom of Thailand and the Republic of South Korea are both interested in German arms. In Bangkok, Defense Minister Volker Ruehe, of the Christian Democratic Union [CDU], officially confirmed that Thailand is interested in German military technology. On the first stop of his Asia trip, the minister said: "Thailand is a country of the ASEAN alliance. The same German export regulations that apply for NATO also apply for this alliance. Exports to Thailand will, therefore, not be a problem."

With a view to the Federal Government's new Asia policy and the stiffening international competition, Ruehe said: "We must not miss an opportunity here." From Thai Government circles it has been learned that the country is particularly interested in German Leopard Type-2 battle tanks. However, there is a cost problem. Details of a possible arms deal and further requests by the Southeast Asian state will be further dealt with this month, when Thai Defense Minister Wichit Sukmak will pay a visit to Bonn.

South Korea, the second stop on Ruehe's tour, is interested in both Tornado fighter aircraft and German 120-mm smooth-bore guns, the type that is used in the Leopard tank. As far as the Tornado is concerned, Seoul is particularly interested in the purely German version of an electronic surveillance aircraft. The two requests are not undisputed in Germany. The smooth-bore guns might be supplied via the United States.

Arms exports to Thailand, however, should be made easier. Recently, an interesting major project for Germany's shipyard industry failed: Bangkok wanted to have its first helicopter carrier built in Germany. Yet after Bonn had rejected a contract between the two governments, this major order was placed with a Spanish shipyard. In this connection, Ruehe said: "No perfect solution has yet been found for Germany's arms export policy. We have to become much more flexible." The Defense Ministry is now thinking about new possibilities for making arms exports to unproblematic countries easier. Specific mention has been made of Germany's growing unemployment problem.

Ruehe's visit to Thailand, South Korea, and Japan is the first tour by a cabinet minister to the region since the Federal Government adopted its new Asia concept about two weeks ago, which provides for strengthening ties with all important countries. Ruehe said that dialogue was being sought in the fields of economy, security, foreign policy, culture, and science.

By going to South Korea, Ruehe is paying a visit to the Asian country in which the old East-West conflict can still be particularly strongly felt through its division. The country's neighbor and antagonist, North Korea, is considered to be a possible nuclear power and the No. 1 factor for insecurity throughout Asia. It is unclear to what extent China still covertly supports North Korea.

Admiral Calls for Adjustment of Combat Forces

BK0211150193 Bangkok Army Television Channel 5 in Thai 1200 GMT 2 Nov 93

[Text] The Navy reported that the only problem it is facing now is the conflict over the demarcation of sea boundaries between Thailand and its neigboring countries. Navy Commander Admiral Prachet Siridet said it is still necessary for the Navy to readjust its combat force structure so as to increase its efficiency in defending national interests at sea.

[Begin Prachet recording] We must first figure out what kind of threats we might face. We should find out which countries should be listed as our probable enemies [preceding two words in English]. In case of conflict or if we have to fight a war with one of them, we must know their strength and strategies before we can react accordingly. We must be prepared. [end recording]

Asked about the purchase of six helicopters from the United States, the Navy commander said that the purchase contract was signed last month. The helicopters will be commissioned into the naval service in 1997.

Supreme Commander Speaks on Military Budgets

BK0211144193 Bangkok Army Television Channel 5 in Thai 1200 GMT 2 Nov 93

[Text] Supreme Commander Air Chief Marshal Woranat Aphichari said that for the time being there is no plan to buy additional weapons and war equipment for the three armed forces. He noted that each armed force has its own long-term plan with a fixed budget for that purpose. If any armed force wants to buy new weapons and war equipment, it must keep within the existing budget.

[Begin Woranat recording] Each armed force has its fixed budget for the development and payment of debts incurring from old purchases. Therefore, if they want to buy more weapons and equipment, they must not overspend the money they have left in their hands. They cannot simply buy whatever they want. [end recording]

Cabinet Approves Air Force Purchases

BK0211030193 Bangkok THE NATION in English 2 Nov 93 p A3

[Text] The Royal Thai Air Force [RTAF] has won a Cabinet decision to buy new fixed wing aircraft and helicopters worth over Bt [baht] 3 billion. At the same time, it plans to buy two more helicopters with a budget of Bt1.2 billion. The first deal involved a plan to buy six medium-sized transport aircraft, Aeritalia Model G222, at a total cost of Bt2.922 billion. The Cabinet has already switched on the greenlight for the procurement. Aeritalia aircraft are manufactured in Italy. It is represented in Thailand by Commercial Associates Co Ltd.

The second deal was a proposed purchase of five Bell helicopters for training. The helicopters, will be of model Bell 206 B-3 from Bell Textron Inc of the United States. At a cost of about Bt30 million each, this helicopter is not expensive compared with other models of Bell.

The third deal, which has yet to be approved by the Cabinet, is likely to spark a controversy due to its unusually high budget proposed for fiscal 1995.

This calls for a plan to buy two Bell 412 SP helicopters at a total cost of Bt1.2 billion. The RTAF wants to use a budget under the Office of the Prime Minister for the procurement.

A proposal was sent to the Budget Bureau in the past fiscal year, which ended last September, for a disbursement of part of the Central Budget, even during fiscal 1994. However, it was pointed out by the Bureau that the Central Budget was being exhausted as well as fully committed, while the RTAF had not earmarked its own budget for this purpose.

The Bureau suggested that the RTAF tentatively set the procurement plan for fiscal 1995.

The Bell 412 SP, to be acquired at a staggering cost of Bt600 million each are likely to raise eyebrows. The RTAF bought three units of the same model for the Royal Family during fiscal 1991 at a total cost of only Bt500 million. It has been estimated that the selling price of this model in the US is about US$6 million, or Bt150 million each. Bell helicopters no longer serve as the backbone of the US forces.

This time, two of them require the RTAF to spend Bt1.2 billion. It would be the most expensive helicopter ever put on the RTAF procurement plan. Added with inflation and special equipment, the price of a Bell 412 SP should not have gone up by that much, according to specialists. However, the Budget Bureau may point out to the RTAF about the high price when the proposal is resubmitted for budgetary appropriations during fiscal 1995.

One source, who was familiar with the procurement plan, said that if the new Bell deal receives an initial greenlight from the Budget Bureau, it would still need approval from the House Budget Scrutiny Committee. A tough grilling is expected as well.

Bell, also represented in Thailand by Commercial Associates, has been the mainstay of the helicopter fleet in service by the Thai armed forces. Attempts by other manufacturers to crack the Bell-dominated market have not been successful.

Thai armed forces figures have been accustomed to Bell. They even wanted to buy used Bell helicopters decommissioned from the US armed forces and on offer to Thailand at low prices.

The existing fleet of Bell is relatively ageing. The armed forces have spurned offers from other producers who have offered sophisticated models. Their rejection was that modern helicopters were too expensive.

Board Approves Guidelines for Japan Trade

BK0311023193 Bangkok BANGKOK POST in English 3 Nov 93 p 30

[Text] The Board of Trade has approved guidelines for trade and economic cooperation between Thailand and Japan which will soon be discussed with other government agencies.

The guidelines call for Japan to open up an unrestricted market for farm and industrial products and to reduce import barriers. This could involve relaxing prohibitions and volume restrictions on imports, relaxing quarantine inspections and reducing steep tariffs on tapioca starch, gems and jewellery.

Japan is asked to support trade exhibitions and promotions, market research, seminars and training. It wants Japan to import more manufactured goods from Thailand.

The board wants Japan to support education and training for technicians and engineers and other skilled labour, as well as technology transfers for manufacturing and product development, such as improving processed-food quality, adding value to products and developing techniques for inspecting export-oriented foods.

The board wants Japan to support small and medium-scale machinery manufacturing for the metal, iron and steel, electronic and petrochemical industries. In particular, Japan should support more investment in the provinces to help generate rural job opportunities and ease pressure on Bangkok, the board says. Japan was also asked to support joint ventures in Indochina.

Minister on Increased Economic Ties With Cuba

BK0311035393 Bangkok BANGKOK POST in English 3 Nov 93 p 2

[Text] Thailand is interested in learning Cuban know-how in sugar production, while Cuba wants to increase trade and investment, Foreign Minister Prasong Sunsiri said yesterday

Squadron Leader Prasong made the disclosure to reporters after a 30 minute meeting yesterday evening with Cuba's visiting Deputy Foreign Minister Mario Rodriguez.

"Cuba admires our national development and wants to increase the volume of trade and investment with Thailand," Sqn Ldr Prasong said. The volume of Thai-Cuban trade so far has amounted to about $20 million a year, with Thailand enjoying a small surplus. The volume should increase when the two countries establish full diplomatic relations, which would open up opportunities in the Caribbean and Southeast Asia to Thailand and Cuba respectively, he said.

Thailand would learn from the long experience in sugar production of Cuba, the world's biggest exporter of the commodity.

According to Foreign Ministry officials, sugar in 1991 accounted for a third of Cuba's total export earning of US$3.6 billion.

Thailand and Cuba have honorary consuls, based in Mexico and Vientiane, looking after their relations. According to Sqn Ldr Prasong Cuba wants to set up an embassy in Bangkok next year. Thailand welcomes the idea and is "willing to assist" Cuba as a co-member of the Non-Aligned Movement, he said. But, owing to financial constraints, Cuba may set up a consulate-general as a first step.

Mr Rodriguez extended an invitation for Sqn Ldr Prasong to visit Cuba. Sqn Ldr Prasong told reporters that he planned to visit Latin American countries but gave no time frame.

Mr Rodriguez heads back to Havana today after a two-day visit. Deputy Foreign Minister Surin Phitsuwan hosted dinner for Mr Rodriguez after his meeting with Sqn Ldr Prasong.

Trade With India Increases to $1 Billion

BK0211131993 Delhi All India Radio Network in English 0245 GMT 1 Nov 93

[Text] Trade between India and Thailand has increased from nearly $400 million in 1989 to over $1 billion last year. The Thai foreign minister, Mr. Prasong Sunsiri, said in Bangkok that both the countries have taken steps to strengthen cooperation in trade, investment, agriculture, and fisheries. He said these will be discussed at the next meeting of the Indo-Thai Joint Business Commission in New Delhi.

Vietnam

Foreign Minister's Visit to CIS States Noted

Nguyen Manh Cam Interviewed

BK0111143393 Hanoi VNA in English 1413 GMT 1 Nov 93

[Text] Hanoi VNA Nov. 1—"We have visited some republics of the former Soviet Union to discuss how to strengthen bilateral cooperation on the basis of complete equality and mutual interest", said Foreign Minister Nguyen Manh Cam in an interview to the Army paper QUAN DOI NHAN DAN upon his return from a working visit to Ukraine, Belarus and the Russian Federation from Oct. 21-30.

He continued: "Leaders of Ukraine, Belarus and the Russian Federation highly valued Vietnam's important achievements in transition towards a market-oriented economy, and noted that the renovation direction was dynamic, creative and correct".

On the results of his visit to these countries, Foreign Minister Nguyen Manh Cam said: "We signed agreements on visa exemption and travel of citizens with the three countries. In Ukraine, we also signed an agreement on aviation cooperation. We and Ukraine and Belarus agreed to sign as soon as possible an agreement on investment encouragement and guarantee, an agreement on avoidance of double taxation and a number of agreements on education, juridical support in protecting each other country's citizens. We and the Russian Government also agreed to sign soon an agreement on investment encouragement and guarantee and a consulate agreement".

The foreign minister further said: "The Russian Federation expressed its wish to cooperate with Vietnam in the fields of natural oil and gas, energy, electricity, agricultural machinery, rubber planting and processing, tea, coffee, vegetables, fruits and coconut oil. Meanwhile Belarus wants to work with Vietnam in the fields of rubber, manufacture of machine tools and scientific-technical cooperation.

"Ukraine and Vietnam agreed to cooperate in the fields of ship building and repair, coal mining, food and other tropical products processing and exportation". As regards the issue of Vietnamese debts to Russia, Minister Nguyen Manh Cam said: "Vietnam will repay its debts to Russia on the basis of its means and agreement between the two sides".

Radio Reviews Visit, Results

BK0111140593 Hanoi Voice of Vietnam in English 1000 GMT 1 Nov 93

[Station commentary]

[Text] Vietnamese Foreign Minister Nguyen Manh Cam last weekend concluded his visit to Ukraine, Belarus, and Russia. Upon his return to Hanoi, Foreign Minister Nguyen Manh Cam told pressmen that he believed in the possibility of broadening cooperation between Vietnam and members of the Commonwealth of Independent States [CIS], commonly known as the republics of the former Soviet Union.

Foreign Minister Cam said that during his visits to the three republics, agreements on the conditions for mutual visa exception have been signed. In Ukraine, Mr. Nguyen Manh Cam signed an agreement on aviation. Both Ukraine and Belarus agreed with Vietnam to sign soon an agreement on encouragement and protection of investment, an agreement on double taxation avoidance, and other agreements on education and juridical assistance to protect the citizens of each country.

In Russia, discussion focused on [words indistinct] signing of an agreement on the encouragement and protection of investment. Vietnam and Russia also agreed to promote cooperation in energy, in exploiting oil and gas and natural resources, processing agricultural products, and trade.

Foreign Minister Cam said Vietnam would pay its financial debt to Russia on the basis of its capacity and the agreement between the two countries. Russia also accepted Vietnam's requirement to ensure the security of Vietnamese people now working and studying in Russia.

The trip to the three members of the CIS by Mr. Nguyen Manh Cam concluded successfully, assuring a new possibility for cooperation between Vietnam and the republics.

Le Duc Anh To Visit PRC in 'Mid-November'

BK0211151993 Hanoi Voice of Vietnam Network in Vietnamese 1430 GMT 2 Nov 93

[Text] Le Duc Anh, president of the State of the Socialist Republic of Vietnam, will pay an official friendship visit to the People's Republic of China in mid-November 1993 at the invitation of PRC President Jiang Zemin.

Nong Duc Manh 'Successfully' Ends UK Visit

BK0211100793 Hanoi Voice of Vietnam Network in Vietnamese 1100 GMT 1 Nov 93

[Text] Our country's National Assembly delegation led by Chairman Nong Duc Manh paid a visit to the United Kingdom from 27-30 October at the invitation of the speaker of the Parliament of the United Kingdom of Great Britain and Northern Ireland. The delegation was accorded a warm and solemn reception by the British Parliament.

Mrs. Betty Boothrouyd, speaker of the House of Commons, received and held talks with the delegation at Westminster Palace on 28 October. Chairman Nong Duc Manh informed her of Vietnam's renovation undertaking and our National Assembly's activities. He expressed the desire to strengthen the friendly and cooperative ties between Vietnam and the United Kingdom in the interest of the two countries and the world community.

The speaker of the House of Commons warmly congratulated our National Assembly delegation on its first visit to the United Kingdom and accepted with pleasure Chairman Nong Duc Manh's invitation to pay a visit to Vietnam in the future.

On the same day, the delegation paid a courtesy visit to His Excellency Lord Mackay of Clashfern, chancellor of the House of Lords, and had a working session with a group of Britain-Vietnam friendship parliamentary members; His Excellency (Michael Marshall), chairman of the World Parliamentarian League; His Excellency (Woodland), member of Parliament and secretary of state for foreign affairs; and other high-ranking officials of the British Parliament and Government. On 29 October, the delegation visited the British Petroleum company, BP; the Commonwealth Development Company, CDC; the British Gas Production and Exploitation Company; the London Stock Market; and the (?Clifford Chartered Legal Consultancy) Company. The British investors and businessmen showed sincere interest in the strengthening of economic cooperation between Vietnam and the United Kingdom.

Our National Assembly delegation toured the place where Uncle Ho used to live and work more than 70 years ago, visited our country's embassy in the United Kingdom, and cordially talked with our embassy staff and overseas Vietnamese residents about the national situation.

On 30 October, our National Assembly delegation left for home, successfully concluding its visit to the United Kingdom.

Lao Justice Ministry Delegation Ends Visit

BK0311034193 Hanoi Voice of Vietnam Network in Vietnamese 1100 GMT 2 Nov 93

[Text] At the invitation of the Ministry of Justice, a delegation of the LPDR Ministry of Justice led by Comrade Kham-ouan Boupha, minister of justice, paid an official visit to Vietnam from 26 October-2 November 1993. The delegation was cordially received by Comrade Vo Van Kiet, prime minister; and Comrade Pham Van Dong, adviser to the party Central Committee.

The delegation visited and had a working session with the leadership of the Supreme People's Court, the Supreme People's Organ of Control, and the Vietnam Laywers' Association. It also toured the Hanoi Faculty of Law, the Hanoi Municipal People's Court and Judicial Office, and Ninh Binh Province.

A delegation of the Vietnamese Justice Ministry led by Comrade Nguyen Dinh Loc, minister of justice, held talks with the Lao delegation. On 1 November 1993, Minister Nguyen Dinh Loc and Minister Kham-ouan Boupha signed minutes of cooperation between the Vietnamese and Laos Ministries of Justice for the year 1994. This is to substantiate the 16 August 1992 agreement on legal cooperation between the SRV and LPDR Governments.

The Lao justice delegation departed for home on 2 November 1993, satisfactorily winding up its visit to Vietnam.

Radio Comments on Le Duc Anh's Visit to Laos

BK0111154593 Hanoi Voice of Vietnam in English 1000 GMT 1 Nov 93

[Station commentary]

[Text] Vietnamese President Le Duc Anh started an official visit to Laos Monday at the invitation of Lao President Nouhak Phoumsavan. It is an important event in the relations between the two countries, and a [words indistinct] of the determination of the two leaders and peoples in maintaining the time-honored relations.

In recent years, Laos has achieved important results in national reconstruction. Lao infrastructure has been improved with investments by both the state and foreigners. The standard of living for the Lao people also has been upgraded. Diplomatic ties with the outside world have been increased, with 22 countries now have involved in 208 projects in Laos. Laos has also paid great attention to consolidating its relations with its neighbors and other regional countries. Laos especially respects its relations with Vietnam, and always has maintained and developed these relations in many different fields.

The visit to Laos by President Le Duc Anh is the latest contribution to the consolidation and development of bilateral relations. The Vietnamese national daily newspaper NHAN DAN on Monday noted that during this visit Vietnam will express its gratitude to the Lao party, state, and people, for their support and assistance to the revolution in the past as well as at present.

PetroVietnam Official on Spratlys Exploration

BK0211014193 Bangkok BANGKOK POST (INSIDE INDOCHINA Supplement) in English 2 Nov 93 p 2

[Text] Vietnam hopes to draw an enthusiastic response from foreign oil firms when it opens bidding next year for offshore exploration and production rights in areas close to the disputed Spratlys.

Ho Si Thoang, chairman of the state oil firm PetroVietnam, maintains that the nine tracts on offer are not in the area disputed with China but are on Vietnam's own continental shelf. "Of course, before doing something I must ask the Government and only with the Government's permission can I proceed," he told INSIDE INDOCHINA. "If I do something in my house, I don't need to discuss with neighbours. But suppose I want to do something in the corridor which I share with neighbours, then I must talk to them," he added.

PetroVietnam on October 14 issued an invitation for foreign companies to vie for concessions in nine blocks off Vietnam's east coast, stretching from Khan Khoa province to Baria-Vung Tau, including the atolls of Bai Phuc Ton and Bai Tu Chinh.

Bai Tu Chinh, an uninhabited atoll, is located in an area where China in May last year granted exploration rights to the US-based Crestone Energy Corp. Hanoi at the time protested Beijing's decision, saying the area formed part of Vietnam's continental shelf. China and Vietnam both claim sovereignty over the Spratlys, parts or all of which are also claimed by Brunei, Malaysia, the Philippines, and Taiwan.

Norwegian Petroleum Exploration Consultant Co (NOPEC) is analysing the seismic data it has collected to determine the commercial viability of hydrocarbon deposits in the offshore blocks to be put up for bidding. Companies eventually contracted to explore and produce in this zone will have to buy the data from the private Norwegian consulting firm.

"If we can finish processing the data within this year, then we will invite companies to come (and) study the information for contract signing," Thoang said.

Foreign oil companies are aware of the territorial dispute and have indicated that they want to keep out of the controversy. Thoang, however, emphasises that the tracts in question are not in the area disputed with China. "All these (tracts) belong to the Vietnamese offshore economic zone...and (are) not in the Spratlys," he said.

Thoang is aware that no foreign oil companies would likely risk problems with China, especially political ones. "At the same time, everybody (in the oil business) recognises the claims of China over Vietnamese waters are unreasonable. Since they call it the South China Sea, they consider that all the sea must belong to China," Thoang said.

Vietnam prefers to call what is generally known as the South China Sea the Eastern Sea.

Thoang argues that China's claims of sovereignty over the Spratlys cannot extend to the nine tracts because by international law a chain of atolls like the Spratlys are not entitled to a 200-nautical mile economic zone.

Meanwhile, foreign concessionaires that operate in the nine tracts to be put up for bidding can expect to be given favourable terms under the Oil and Gas Law which came into effect in September. Under the law, the Government may grant concessionaires deemed to be "special cases" rights to hold up to four blocks, against the normal maximum of two blocks. The law also allows firms holding contracts in areas more than 200 metres deep and far from the shore a longer exploration period—seven years rather than five—than those that seek hydrocarbon deposits in shallower areas closer to shore. Exploration and production contracts for both categories have a maximum period of 30 years.

Nguyen Khanh Speaks at UNESCO Conference

BK0211093593 Hanoi Voice of Vietnam Network in Vietnamese 1100 GMT 1 Nov 93

[Text] According to a VIETNAM NEWS AGENCY correspondent in Paris, Deputy Prime Minister Nguyen Khanh, head of the Vietnamese delegation, delivered a speech on 27 October before 180 delegations from countries attending the 27th general assembly of the United Nations Educational, Scientific, and Cultural Organization [UNESCO].

Deputy Prime Minister Nguyen Khanh highly valued the important role of UNESCO in a changing world and praised new steps in cooperative relations between Vietnam and UNESCO. He stressed that Vietnam always considers UNESCO a trustworthy friend.

Deputy Prime Minister Nguyen Khanh met with Mr. (Marge), general director of the UNESCO, on 29 October. The deputy prime minister expressed his gratitude for the cooperation and assistance provided by UNESCO and by the general director himself to Vietnam in the recent period .

While in France, Deputy Prime Minister Nguyen Khanh met and had a working session with Mr. (Aroland), vice president of the State Council, and with other high-ranking officials of the French Government.

Credit Agreement Signed With World Bank

BK0211150793 Hanoi VNA in English 1450 GMT 1 Nov 93

[Text] Hanoi VNA Nov.1—A credit agreement on two projects was signed here today by World Bank Vice President Gaustam S. Kaji and Governor of the Vietnam State Bank Cao Si Kiem.

Under this agreement, World Bank will provide U.S.$228.4 million for the rehabilitation of Highway 1A and for a primary education project.

After the signing ceremony, Governor Cao Si Kiem and World Bank Vice President Gaustam S. Kaji held a press conference during which they informed Vietnamese and foreign mass media workers of the cooperation between the World Bank and the Vietnam State Bank over the past four years. In the coming three years the World Bank will provide some US$1 billion in loans for Vietnam. Mr. Cao Si Kiem said from now on Vietnam will receive US$1 billion each year from the three international monetary institutions namely the International Monetary Fund, the Asian Development Bank and the World Bank. Loans will be used to build and develop infrastructures aimed at ensuring Vietnamese economic growth.

This afternoon General Secretary of the Communist Party of Vietnam Do Muoi warmly received WB Vice President Gaustam S. Kaji.

General Secretary Do Muoi expressed his thanks to international organizations including the World Bank, for their support and assistance to the Vietnamese people's struggle for independence and freedom in the past as well as their financial assistance to the Vietnamese people's present national construction. He said that Vietnam would make the best use of fundings provided by the WB and other international financial institutions.

Commentary Views Relations With World Bank

BK0211153993 Hanoi Voice of Vietnam in English 1000 GMT 2 Nov 93

[Station commentary]

[Text] The World Bank is granting Vietnam two credit loans valued at $228 million to assist the rehabilitation of Highway No. 1, and for a primary education project. Here is our radio editor's summary:

The two loans were signed in Hanoi on Monday during the visit to Vietnam of World Bank Vice President for East Asia, Mr. Gaustam Kaji. They came after the Asian Development Bank, the third largest international financial institution, signed loans for Vietnam totalling $300 million. Earlier, the president of the International Monetary Fund [IMF] visited Hanoi to make many important decisions, useful for the development of the Vietnamese economy. It means that over the last 20 days of October, three international financial institutions visited and signed agreements on credit assistance to Vietnam, supporting Vietnam with capital and technical assistance to help promote the rennovation process.

The World Bank Primary Education Project means about 10,000 classrooms will be repaired or built and more than 12,000 safe water supply and hygienic latrine systems will be provided soon. The second credit is for rehabilitating two vital and busy portions of Highway No. 1 linking the north and south of Vietnam.

However, as assessed by Mr. Kaji, these projects are not big in comparison with Vietnam's demand for development. It is only a opening step. In the future, the World Bank plans to give Vietnam a loan of about $1 billion to implement its socioeconomic development strategy.

Relations between Vietnam and the World Bank as well as other international financial institutions are developing positively. It is a welcome opening step in relations between Vietnam and those institutions. It is also a logical consequence of Vietnam national renovation process and its clearance of its arrears to the IMF.

Single-Digit Inflation Predicted for 1993

BK0211091293 Hanoi Voice of Vietnam in English 1000 GMT 1 Nov 93

[Text] Vietnam is certain to achieve single-digit inflation this year, well below expectations. The rate projected by the National Assembly for the whole year was 15 percent, but prices increased only 5 percent in the first 10 months.

Political Bureau Issues Anniversaries Resolution

BK0211141793 Hanoi Voice of Vietnam Network in Vietnamese 1100 GMT 2 Nov 93

["Contents" of Political Bureau's Resolution on Celebrating Major Anniversaries in 1994 and 1995; date not given]

[Text] Dear friends: The Communist Party of Vietnam [CPV] Political Bureau has issued a resolution on celebrating major anniversaries in 1994 and 1995. You are invited to listen to the contents of this important resolution, which follows:

There will be many historically important anniversaries in 1994 and 1995. The Political Bureau has decided to organize solemn activities with the active participation of the masses to mark those historically important anniversaries. These activities aim to:

—Commend our people for the great achievements and victories they have scored under the party's leadership in the framework of the cause of national liberation, socialist construction, and national defense over the past years, especially the ongoing renovation undertaking.

—Educate everyone on the valuable national traditions so they can enhance their patriotism and belief in the success of the renovation undertaking.

—Teach party cadres and members and the masses the major lessons drawn from all aspects of our country's revolution and renovation undertaking so they can improve their political background; foster their revolutionary ideals, pride, and self-confidence; and heighten their determination to build and defend the fatherland and help the nation out of poverty and backwardness.

—Organize and motivate the people to respond to the mass movement to perform revolutionary activities in all domains, with priority being given to economic development, improvement of the people's living conditions, acceleration of party-building work, consolidation of national defense and security capabilities, and successful implementation of the tasks and goals set for the five-year 1991-95 period by the seventh party congress resolution in anticipation of the eighth party congress.

The commemoration of those major anniversaries must bring about practical results, serve the goals of ideological indoctrination, and help accelerate the fulfillment of short-term tasks. It is necessary to bear in mind the need for security and thrift and avoid all indications of show-off and extravangancy.

Sectors, mass organizations, provinces, and cities should work out programs and plans to mark those major anniversaries and should direct their implementation at an early date. Efforts are needed to prepare for major exhibitions to mark the fatherland's 50th founding anniversary and national defense day. Steps must be taken to give a facelift to museums and revolutionary and war of resistance relics. It is important to organize writing contests and cultural, artistic, and publishing activities, and so forth.

Right from the very beginning of 1994, sectors, localities, and units should launch a mass emulation movement to earn merits to commemorate major anniversaries, bearing in mind the need to meet practical and realistic goals. It is necessary to commend those who have rendered meritorious services to the fatherland and revolution; take into account good people and good deeds; foster and develop new factors and young talents in the mass emulation movement; accelerate the implementation of policies toward war invalids, survivors of fallen combatants, and families which have rendered meritorious services to the revolution; and intensify social activities aimed at providing care to the elderly, women, children, people who have nobody to turn to in time of need, and the handicapped. Positive steps must be taken to direct production and look after the material and spiritual needs of ethnic minority compatriots in mountain regions and people in former revolutionary bases or resistance strongholds.

It is necessary to step up cultural, artistic, physical culture, and sports activities to create a jubilant and healthy atmosphere in society to commemorate those major anniversaries. It is important to work out effective measures to direct the commemoration of those anniversaries at the grassroots level. Cadres in charge at all levels should go out of their way to help the masses celebrate those major anniversaries and should motivate everyone to perform all short-term tasks in a satisfactory manner.

Song Be Prepares for Midterm Conference

BK0211154193 Hanoi Voice of Vietnam Network in Vietnamese 1430 GMT 31 Oct 93

[Text] The Song Be party committee recently held an enlarged conference to meet with all secretaries of district, town, and ancillary agency party organizations, and directors of local services and sectors. The conference was for the participants to contribute their views to the draft political report for the upcoming Seventh CPV Mid-Term National Conference.

With a serious working attitude and high sense of responsibility, the representatives basically agreed with the contents of the draft political report. They highly valued the draft report as an important document that reviewed all lessons and experiences learned along the renovation and national construction process outlined in the past two-year plan to implement the Seventh Party Congress' resolution. They again determined to follow party policies and orientations to implement successfully the Seventh Party Congress' resolution.

Many representatives suggested more in-depth study of causes of successes and drawbacks. They contended that recent achievements reflected the labor and capital invested in previous years. In the fields of industry ad external economic relations, the state should give concrete and clear priorities to investments that support development. Some representatives complained that at present, many localities paid too much attention to projects for setting up beer, cigarette, or instant noodle factories, or too many foreign investment projects in building hotels and restaurants, or projects to build golf courses initiated by unsuitable localities.

In agricultural production, in addition to the contracts with peasant households, representatives suggested that research programs on scientific, technological, and biological applications should be carried out in order to improve crop species, vegetation and animal protection, and to increase production output and efficiency.

Air Route Links Hue, Dalat, Ho Chi Minh City

BK0111105193 Hanoi Voice of Vietnam Network in Vietnamese 1100 GMT 31 Oct 93

[Text] Vietnam Airlines inaugurated this afternoon in Hue City a regular air route linking Hue, Dalat, and Ho Chi Minh City.

The establishment of the new air route was to respond to the increasing demand of tourists, especially international tourists, in traveling between the two major tourist destinations in the country. There will be two flights weekly for this new route, on Thursday and Sunday.

Aviation officials revealed that the number of tourists this year [for these destinations] increased by 50 percent over 1992, and estimated that in 1994 the number will reach 3,000.